

**NATIONAL
REAL ESTATE
and BUILDING
JOURNAL**

**Let's Bring
'Em Back
To the
Office!**

—page 22

NAHB Convention Report

—page 26

FEBRUARY 1955

wanted



the phenomenal growth of sales of **scholz california contemporary homes** puts an ever increasing demand on our sales organization. to meet this demand we are looking for additional capable men to contact builders in nearly all sections of the east, middlewest, southeast and middle south.

aimed exclusively at the quality market these homes have been featured in nearly every national home and builders magazine and represent a vast pre-sold market.

if you have a record of successful selling and high earnings on strictly commission basis you will find this the opportunity of a lifetime — demonstrated in case after case in the past year by men of similar experience — this is the only requisite — previous experience on building products not necessary — as we will train you thoroughly — call write or wire for interview.

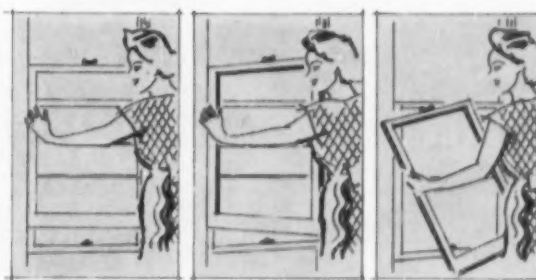
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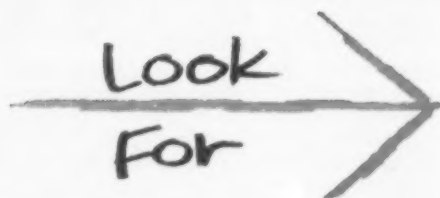
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THE MAGAZINE OF HOME MERCHANDISING

VOLUME FIFTY SIX • NUMBER TWO • FEBRUARY • NINETEEN FIFTY FIVE



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PREVIEW OF COMING ISSUES

Look for these timely, down-to-earth features in your March issue of the JOURNAL: Suggestions on planning your 1955 houses to make them sell *better* and *faster*. . . A case study of a top-quality motel operation. . . Ideas on using trade-ins to increase new home sales. . . Details of how a California developer promoted "teamwork" as the key to a successful subdivision. . . And in April, the annual Roster of Realtors — bigger and better than ever.

1. Styling leadership—Whatever the orientation on a lot, Modern Homes have the look of smartness and quality that only full-time architectural development can achieve. The low, long look, the low-pitched roof with its wide overhang are now Modern trade-marks.



How the best materials help bring you quality – and volume profits!



2. Exclusive features—Modern Homes' Research and Product Development Department has introduced entirely new sales-sparking features to residential building—including the widely heralded power-operated windows, acoustical ceilings, Klear-Span steel floor system.



3. Quality emphasis—Modern Homes are designed for quality builders... fabricated with precision, of the finest materials. To help the builder follow through with this quality emphasis, Modern helps train erection crews, helps plan sites, helps achieve effective color styling.



4. Advertising appeals—In *Living for Young Homemakers*, *Better Homes and Gardens*, and *Small Homes Guide*, Modern Homes advertising is designed to add the powerful sales-extra of prestige—the reputation for excellence that influences discriminating buyers.

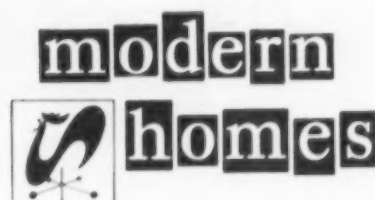


5. Open House promotion—With newspaper mats, radio and TV scripts, signs, photographs, displays, and quality literature, Modern Homes helps the franchised builder-dealer and the realtor make Modern's styling, features, and quality pay off in profitable volume sales.

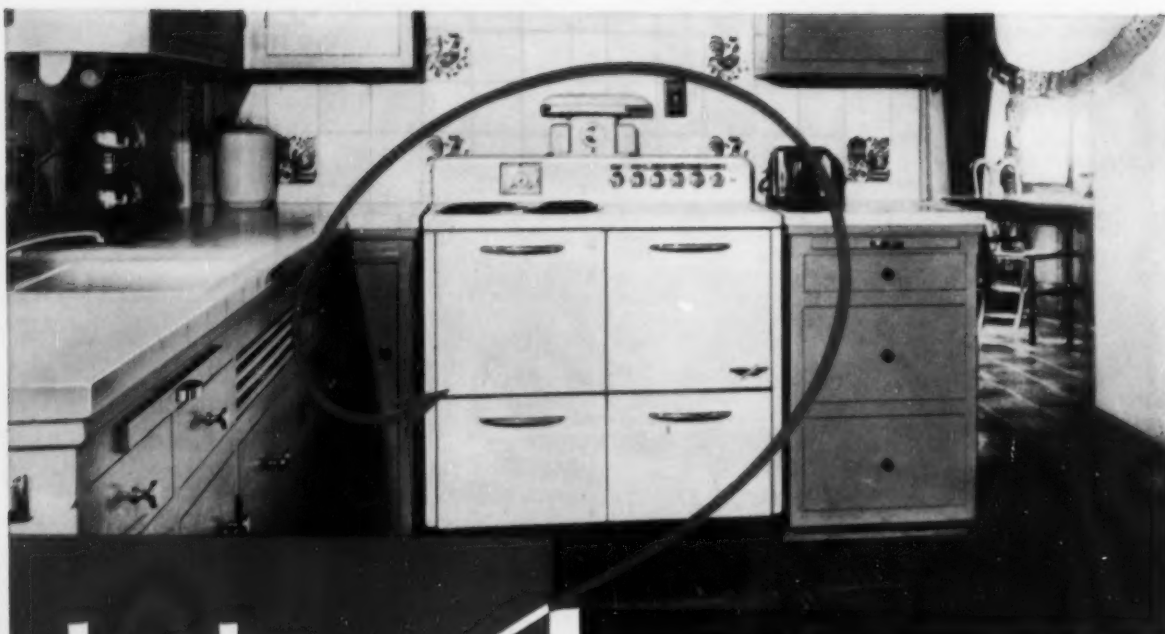
Many factors contribute to Modern Homes quality. To you, as a realtor interested in high quality standards, all of them are important. Take just one—building materials:

You realize, of course, that there are savings in volume purchase. Many savings are passed along. *But these savings also permit us to use materials of only the highest quality.* The opportunity to do this isn't exclusive with us; the degree to which we do it is.

This, and other factors briefly described on the left, add up to the realtor's most profitable association for easy selling and increased profits. And that is doubly true if you build as well as sell homes! *Modern Homes Corporation, 14507 West Warren Avenue, Dearborn, Michigan.*



Modern Homes Corporation
Dearborn, Michigan • Port Jervis, New York



Is this salesman in your kitchens?



According to Mr. Joseph P. Lenny, who built this small home in Runnemede, N. J. (he sold 25 the day he opened his model house)—“In my experience, most home buyers can't resist an all-electric kitchen. And the kitchen can't be all-electric without an *Electric Range*. Although my homes are moderately priced, I offer this plus item and it helps me stay ahead of the field.”

Women love a modern kitchen because it's the room where they spend so much of their time. And they want a range that *saves* them time. An *Electric Range* does that—and gives a modern tone to the entire house as well.

Electric Ranges also offer clean cooking, as well as ease of operation—and a cool kitchen, too!

Another important point that helps you make your home sale: An *Electric Range* in the

kitchen shows the customer that the house has a modern three-wire service, of ample capacity to take care of other appliances for modern living—now or in the future.

Electric Ranges help sell any type of home, in any price range. Are you making the most of this selling feature?

ELECTRIC RANGES
Help Sell Houses!





"'Modern' is the theme of our development," says Mr. Noble S. Clay, builder of this house at Shaler Township in Pennsylvania — "and we find that most home buyers go for contemporary design. The *Electric Range* is a definite part of it. It's *really* modern cooking equipment. *Everybody* wants the electric convenience features."

"We know from our sales record over a period of 23 years," says Mr. P. A. DiSomma, President of Castle Builders, Babylon, N. Y., "that *Electric Ranges* have been a definite asset in the sale of our homes. During the post-war period we've built homes ranging in price from \$10,000 to \$85,000. All have been equipped with *Electric Ranges*."

These Builders Tell Why It Should Be!

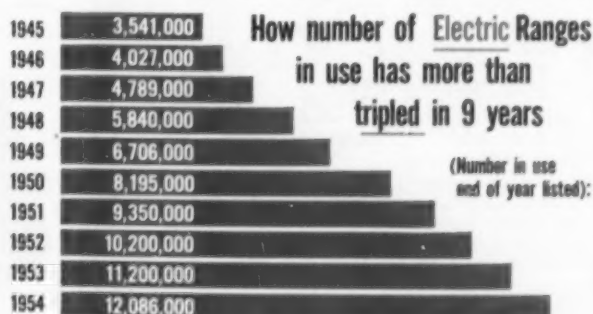


Are You Traveling with the Trend?

The chart at right shows that the number of *Electric Ranges* in American homes has more than *tripled* during the past 9 years. Follow the trend! For quicker sales, install *Electric Ranges* in the homes you build!

BE MODERN...

Cook Electrically!



Source: ELECTRICAL MERCHANDISING Annual Statistical and Marketing Issues

ELECTRIC RANGE SECTION

National Electrical Manufacturers Association, 155 East 44th Street, New York 17, N. Y.

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THE JOURNAL REPORTS



Rising Costs Ahead In Home Building

If it weren't enough to be warned of the possible shortage of mortgage money, the home building industry may face sharply rising building materials prices this year.

The Housing and Home Finance Agency has announced that building materials prices rose to all time highs each of the last four months of 1954, and will probably continue to rise.

On top of this is the warning that a national road building program could cut painfully into the available unskilled and semi-skilled labor supply.

All in all, chances are that overall construction costs will increase sufficiently this year to make a marked difference in the final cost to the home buyer from what he paid last year.

FHA Gets Property Management Advice

FHA Commissioner Norman Mason announces that a ten-man advisory board of property management experts has been appointed to help work out some of FHA's management problems.

"I am sure we can make some changes in the property management procedures of the FHA that will make our program more effective and more

economical," Mason said. "The FHA does not want to become a landlord, but when it is necessary to acquire properties under the insurance programs we must see that the best interest of the people of the country is served. That's why I turned to a board of experts for advice."

Termination Dates for Korean GI Bill Set

President Eisenhower's proclamation putting a time limit on benefits under the Korean GI Bill puts the terminal date for veteran guaranty and insurance benefits at January 31, 1965.

Other veteran benefits are also terminated 10 years hence by the proclamation, including veterans preference in various government supported housing activities.

World War II veterans run out of their eligibility for home loan insurance as of July 25, 1957.

The General Services Administration, responsible for buying and selling the federal government's real estate holdings, announces a new policy of using independent fee appraisers.

A country-wide panel of appraisal experts will put fair market value on government held real property. GSA also announced recently a policy of using

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House**

Architect—Donn Emmons, A.I.A.,
San Francisco, Calif.



**The
Midwestern
House**

Architect—Norman Nagle, A.I.A.,
Minneapolis, Minn.



**The
Southern
House**

Architect—Bruce McCarty, A.I.A.,
Knoxville, Tenn.



**The
Eastern
House**

Architect—Stanley C. Reese,
New York

Designed by 4 nationally recognized architects in collaboration
with the architectural staff of *Living For Young Homemakers* mag-
azine!

**Act Now—you can reap the benefit of the biggest
publicity event ever offered the building industry!**

These 4 homes will be the Top Awards in a nation-wide Hotpoint consumer contest during 1955—offering over 2 million dollars' worth of prizes to millions of home-minded Americans. Each home is a composite of all the features wanted most by 85% of today's home buyers! You are invited to build one or more of these Hotpoint "Living-Conditioned" homes in your area. They will be the focal point of the most penetrating *national* and *local* advertising and publicity campaign ever developed in this country. *No homes built this year will receive more attention!*

The people of your community will want to see and own the home that will be pre-sold by this wealth of publicity. The traffic, the interest, and the collateral advantages of this gigantic promotion—to all your present and future operations—offer an unusual opportunity to further your own reputation as a builder of modern, quality homes.

Act Now! For full details on how *you* can get in on this outstanding publicity-and-profit opportunity—write, wire, or call Hotpoint, Builder Dept., 5600 W. Taylor St., Chicago 44, Ill., Phone MA 5600.

**FROM COAST TO COAST, THESE HOTPOINT "LIVING-CONDITIONED"
HOMES WILL RECEIVE UNPRECEDENTED SUSTAINED PUBLICITY . . .**

by HOTPOINT —

- In leading magazines with big color ads
- On television with top-rated "*Adventures of Ozzie & Harriet*"
- With Power-Packed newspaper ads throughout the country!

**by LIVING FOR YOUNG
HOMEMAKERS MAGAZINE —**

- With elaborate color editorials to its more than 2 million young, home-enthusiast readers
- *Plus* full-scale tie-in support all the way!

**by over 5000 HOTPOINT DEALERS
AND DISTRIBUTORS —**

- With "all-out" *local* advertising, merchandising and display!

by ELECTRIC UTILITY COMPANIES and DEPARTMENT & HOME FURNISHINGS STORES EVERYWHERE —

- With powerful local tie-in advertising and merchandising support!

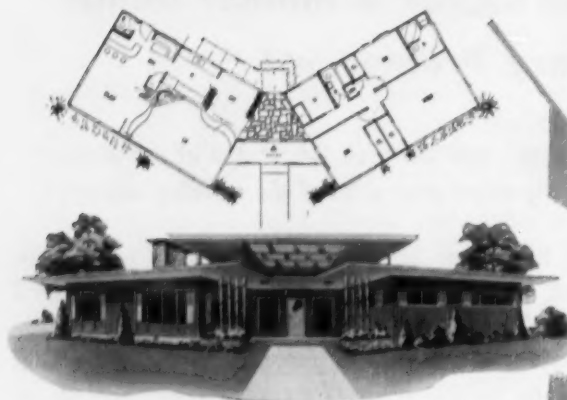


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BEST homes exclusive for 1955

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NEVER BEFORE such opportunity for you to build profitably and sell successfully. With **BEST** Factory-Built homes you can increase your home production without adding to your crew. Erection is faster, delays are prevented . . . and you sell quality that excels ordinary construction at far less cost! AND there are many other beautiful **BEST** Homes for you to build.

Get in on *Operation Opportunity* . . .

Our all-new advertising, merchandising and sales-promotion program designed to help you make more money building **BEST** Homes in 1955.

For Details,
MAIL THIS
COUPON
TODAY

BEST HOMES, Effingham, Illinois

Attention: Mr. W. G. Best, President

Please send me details on the new **BEST** selling plan, "Operation Opportunity".

Name

Business Address

City

State

real estate brokers in the purchase, sale and leasing of government property.

On the appraisal panel as many as 3,000 appraisers are expected to qualify. Peter A. Strobel, Commissioner of Public Buildings for GSA, says that appraisers will be selected on the basis of the location and type of property involved.

Mortgage Debt A Matter For Concern?

Wallace Moir, Mortgage Banker president, tells a Chicago Mortgage Bankers meeting that the growing size of the mortgage debt may have some government officials disturbed.

"I think I sense a growing concern on the part of the Federal Reserve for the rapidly mounting mortgage debt. While the highest officials connected with housing in Washington have disclaimed any thought of a renewal of direct controls in this field, the rate at which mortgage debt has mounted has become a source of anxiety for those charged with managing our fiscal affairs."

Trend Toward Bigger Houses Is Strong

The Labor Department's Bureau of Labor Statistics says that two-thirds of the houses built during the first quarter of last year had three or more bedrooms.

The present house is about 5% larger than its 1951 counterpart, according to the Bureau. In terms of square feet, the 1954 house measures 1140 square feet on the average, while the 1951 house averaged 1080 square feet.

Possible Reduction of GI Interest Rates Ahead

House Banking Committee members Patman (D., Tex.) and Rains (D., Ala.) have introduced bills to reduce the interest rate on GI loans to 4%.

Both men criticized the Administration directive that boosted the rate to 4½% in May of 1953.

It is impossible to tell at this stage how much pressure will be exerted to get the reduction through. Chances are the Democratic majority will put some real effort behind it.

About the Authors

LOUIS J. GLICKMAN is a nationwide investor in income properties worth an estimated \$100,000,000. He has published many booklets about his business methods, among them, "Sale and Lease Back of Real Property" and "Investing in Income-Producing Property." These booklets are distributed to information centers around the world by the U.S. State Department to demonstrate American free enterprise methods.

"He wants everyone present on a deal to know what's going on," says a business associate. "He has a passion for facts. He worked out a fact sheet about a foot wide and three feet long. When its filled in, he can tell at a glance if a deal is good or not."

At 49, Glickman has two sons in college. He enjoys skimming over Lake Mamaroneck, Long Island, in his 18-foot outboard motorboat and friends say he has a weakness for electronic office gadgets.

DR. ABEL WOLMAN is Professor of Engineering at Johns Hopkins University and one of the foremost authorities on the problem of community facilities. He has lectured at Harvard, Princeton, the University of Chicago and other universities, and is a member of a number of learned and technical societies.

In addition to traveling in dozens of countries, Dr. Wolman served for 17 years as chief engineer for the Maryland Department of Health, and served as consulting engineer for the city of Baltimore, the U.S. Public Health Service, T.V.A., the U.S. Army, the Association of American Railroads, Bethlehem Steel Co., and as advisor to the American Red Cross. His solutions to the community facilities problems appear in this issue.



Builders all over the country
are learning how they can
sell more homes by featuring ... a

BILT-WELL

"BUILT-IN" KITCHEN

... equipped with BILT-WELL Cabinet Units, designed
for built-in ovens, refrigerators and cooking units.

Built-in ovens, ranges and refrigerators are gaining in popularity all over the country! More and more builders are increasing the sale of their homes by offering completely new and modern "built-in" kitchens!

And here's where BILT-WELL multiple-use wood cabinets come in! There's a stock BILT-WELL cabinet to fit most of the new built-in ovens, stoves and refrigerators. And these cabinet units can easily be adapted to built-in television, radio, laundry appliances and other special equipment throughout the house.

And even more important! BILT-WELL semi-assembled cabinets cost less than most factory assembled cabinets. This means that you can offer all the features of custom cabinets in your homes at lowest stock cabinet prices. And have the added merchandising features of the popular built-ins!

Ask your lumber dealer or write for full information on how you can increase the "salability" of your homes with versatile BILT-WELL cabinets.

Manufacturers of the BILT-WELL line of Outstanding Woodwork ...
BILT-WELL WINDOW UNITS—Awning, Double Hung, Casement, Basement, Storm and Screen, Gable Sash & Louvers ... **BILT-WELL CABINET UNITS**—Kitchen, Wardrobe, Multi-Purpose, Corner China, Mantels ... **BILT-WELL DOORS**—Interior, Exterior, Combination, Garage, Screen, Flush, Entrances.



There are BILT-WELL Cabinet Units especially designed for the most popular built-in Ovens, and built-in cooking tops.



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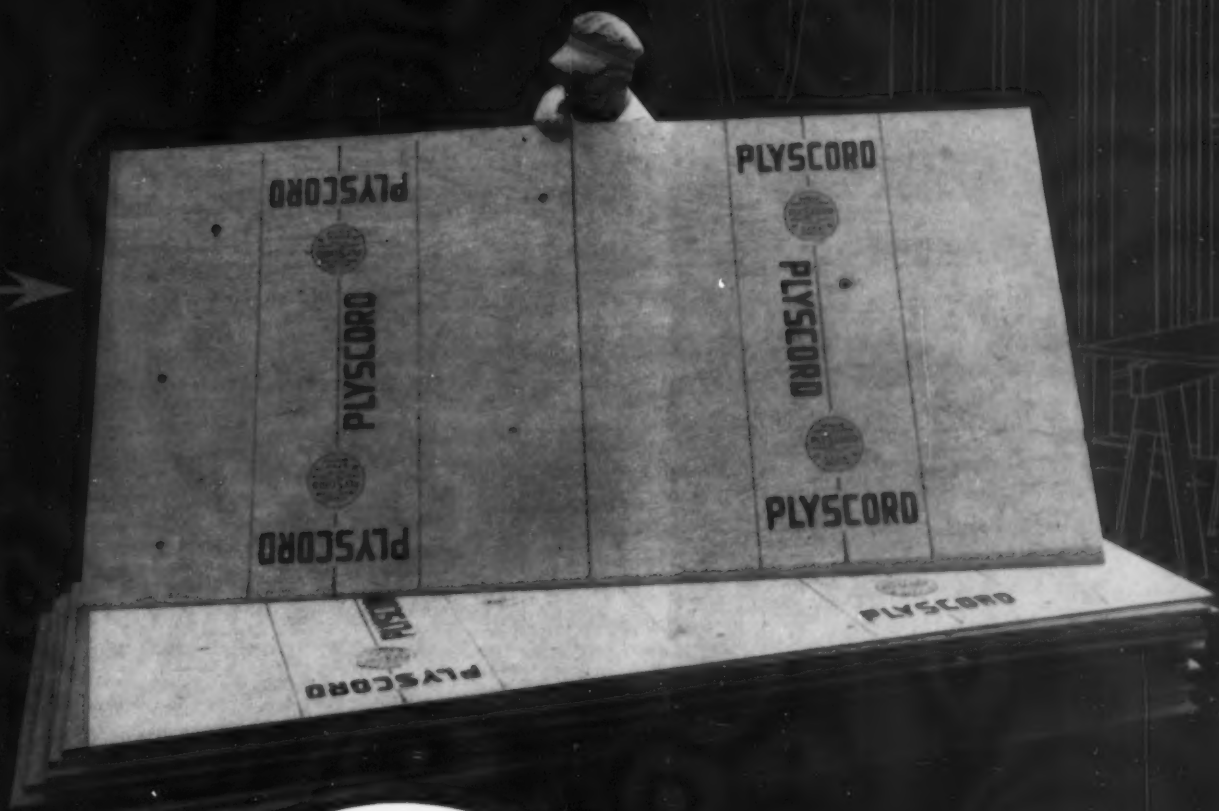
* **DFPA:** Douglas Fir Plywood Association is a non-profit industry organization devoted to product research, promotion, and quality maintenance.

NEW: A handy slide rule giving thickness and nailing recommendations for Plyscord sheathing on various stud, joist and rafter spacings. Free. Write DFPA, Tacoma 2, Washington.



From Journal Readers

• Builders Need Realtors In Competitive '55



GENUINE
DOUGLAS FIR PLYWOOD
PLYSCORD[®]
INTERIOR TYPE GRADE C-D
SHEATHING



You can be sure
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Reynolds makes available expert help in aluminum design problems and in selecting from a wide range of standard Reynolds Aluminum mill forms, in addition to these performance-proved Reynolds *Lifetime* Aluminum Building Products:

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Residential Windows (Casement, Awning, Traverse, Double-Hung, Basement and Utility)
Corrugated and V-Crimp Roofing and Siding
Weatherboard Siding—Flashing—Nails

Industrial, Commercial:

Center Pivoted and Commercial Windows
Reynowall, exterior insulated wall system
ReynoCoustic, aluminum acoustical system
Reynowall, interior partition system
Reynoside, aluminum siding in modern architectural designs
Reynodeck, aluminum roof deck

Write to: Reynolds Metals Company,
Building Products Division, 2016
South Ninth Street, Louisville 1, Ky.



SEE "MISTER PEEPERS," starring Wally Cox, Sundays, NBC-TV.

REYNOLDS ALUMINUM

From Journal Readers

• Builders Need Realtors In Competitive '55

"... a most interesting article. Our Board is wondering if it would be possible to secure reprints to be used in the promotional program by the builders and Realtors in Youngstown."

A. E. Reinman, Jr.

Youngstown Real Estate Board, Ohio

Reprints are available on special order. Write us for cost figures.

"Just a line to let you know that we like your magazine very much. If I might make a suggestion, I would like to see a little more attention to floor plans for the individual. There are thousands of standard floor plans available, but very few dealing with any special situations. View lots, for instance, or ways to install a bath and a half, or new kitchen-dinette arrangements."

Jim Magnuson

Kennewick, Washington

• Sales Training Series

"Congratulations on your announcement of the forthcoming sales training series. Your last issue of the JOURNAL was excellent."

Don Springer

Jacksonville, Florida

• Minority Housing — Time for Action

"I have just seen your editorial on minority housing. I am now doing some building for Negroes in Las Vegas, and I would like to make a comment or two. I don't think you stressed enough the problems of financing."

"There are supposed to be some voluntary committees that will help in finding sources for the FHA insured mortgages for Negro homes and, so far as I know, they have not been able to do anything."

"Also, I understand the President is authorized to allot some of the new FNMA money for minority homes, but so far he has done nothing."

"I wonder if you have any suggestions regarding the financing, because I am sure that a lot more building of minority homes would come to pass if there were more financing available."

Alexander Bisno

Beverly Hills, California

The "voluntary committees" referred to by Mr. Bisno are the regional subcommittees of the recently-established Voluntary Home Mortgage Credit Program. This issue carries an article explaining how the program operates. For particular information about your own area, write VHMCP in care of the Housing and Home Finance Agency, Washington, D.C. They will be able to direct you to the men responsible for the program in your locality.

• Tacoma Builder Meets the "Built-In" Craze

"We are very much interested in this article. Edward Miller certainly has some interesting homes and we would appreciate more information about them."

Thomas F. Boles

Liberal, Kansas

You may write directly to Mr. Kenneth R. MacDonald, 24 White Street, San Francisco 9.

• Anderson's Open Forum

"We appreciate the space you are giving to 'Anderson's Open Forum' for there is far too little understanding of what Realtors can and cannot do relative to the matter of when and why we are entitled to a commission. I admit that I have let thousands drop in commissions earned rather than bring the matter to a course of law."

H. Floyd Cring

Mt. Gilead, Ohio

Dear Sirs:

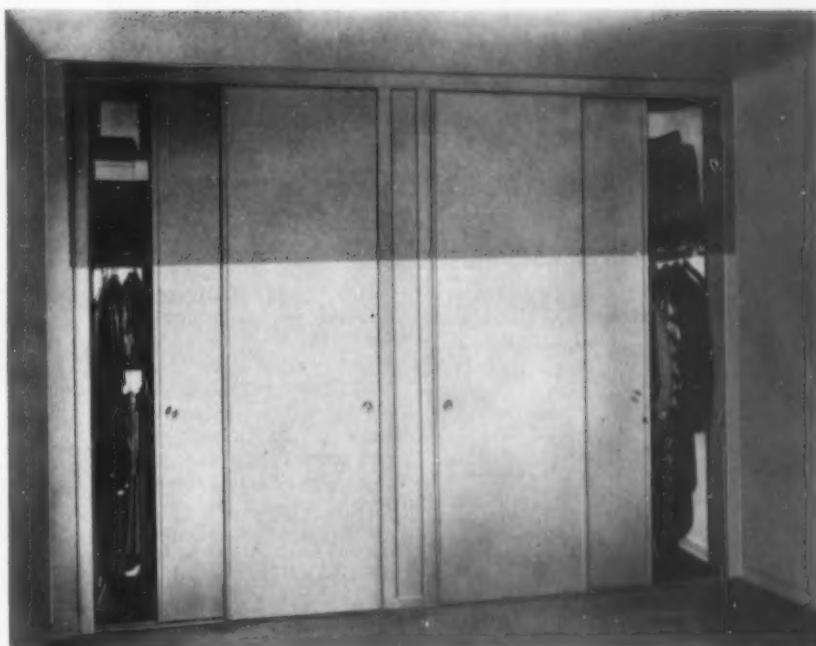
"Your magazine has done much to make the current year such an outstanding one in the real estate market, and I appreciate everything you have done and congratulate you on your accomplishments."

Charles F. Noyes

New York City

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PLUS sales appeal...

...the extra handy
storage space you get
with



GLIDE-ALL® *Sliding Doors*

Patent No. 2111448

PLUS... lower
construction costs

PLUS... simple,
quick installation

■ These modern 8 foot floor-to-ceiling sliding door panels open up new areas of easily used storage space thereby adding more sales appeal to your houses. They are the most economical answer to the No. 1 feature today's home buyers look for: *room for storage*.

You'll find Glide-All Sliding Doors have other plus values too. In floor-to-ceiling, wall-to-wall installation they eliminate costly framing and plastering construction. Their installation takes minutes, not hours by even unskilled labor. Out of square jambs, ceilings or

floors are no problem with Glide-All Doors... unique adjustment features built into each panel assure perfect fitting and quiet, trouble-free performance.

Glide-All Doors fit modern decorating plans, too. They can be papered, painted, or finished to match or blend with the walls. In wall-to-wall installations they make small rooms seem larger.

Glide-All Doors are made of durable Masonite Duolux panels, reinforced with steel tubing; they roll smoothly on Nylon lifetime rollers in overhead steel tracks.

THERE ARE GLIDE-ALL SLIDING DOORS FOR ALL TYPES OF INSTALLATIONS

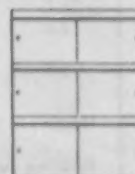
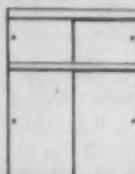
Glide-All Sliding Doors are available in 8' floor-to-ceiling panels, or 6'8" standard heights, overhead or bottom roller models, in modern flush or recessed panels. Glide-All Doors can also be adapted to your special installations.

Glide-All Doors are regularly supplied unfinished—ready for painting. On special order, they are available with factory-applied prime coat, and in attractive simulated wood-grain finishes.

Write Today For A.I.A. File, specifications and details on all Glide-All Sliding Doors.

For Wardrobes • Closets • Cabinets • Counters... use **Glide-All, Jr.** Sliding Doors

The new Glide-All, Jr. is a small panel door, of the same material and construction as large Glide-All Doors. It is complete, ready for simple, fast installation to quickly convert otherwise wasted areas into handy small storage space. Available in standard heights from 16" to 36"—in widths 18½" to 36". A pair fits openings up to 72" wide. Write today for complete details.



Glide-All Doors are produced in 5 modern plants across the Nation... available from distributors throughout United States and Canada. • For complete information write plant nearest you.

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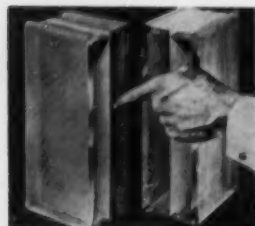
DETROIT 34, MICHIGAN

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CLEVELAND, Ohio, 1890 Carter Rd.
EL MONTE, Calif., 801 West Valley Boulevard
LAUREL, Miss., P.O. Box 673
NEW YORK, Glen Cove Rd., Mineola, N. Y.
SAN FRANCISCO, 1970 Carroll Ave

Product Progress

New "Suntrol" Glass Blocks

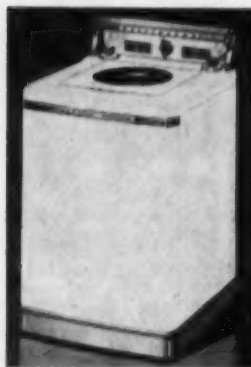
2-1



Pittsburgh Corning Corporation has announced a new series of glass blocks that reduce glare and solar heat gain. This cut section of a typical glass block shows the light controlling prisms on the inner surfaces and the fibrous glass screen which reduces heat transmission and excessive brightness. Known as "Suntrol," these blocks are available in three different 12-inch functional patterns including a special toplighting block for use in skylights. The newly designed exterior face of a Suntrol block has almost twice the impact resistance of standard blocks, claims the manufacturer.

Two Washers In One

2-2



A new totally automatic way to wash regular or fine fabrics, large loads or small, has been built into this 1955 Kelvinator deluxe automatic washer, manufactured by Kelvinator Division, American Motors Corporation, Detroit. The washer has two separate washing cycles, one timed to wash regular loads, and the other designed for fine fabrics, which automatically provides a shorter fill, shorter washing time and gentler rinsing and spin-action. Backguard of the washer incorporates two new lighting features, a full-width fluorescent light for work-surface illumination, and "Tel-a-Fabric" signal lights that show the washing cycle selected.

Handy Inquiry Form

NATIONAL REAL ESTATE AND BUILDING JOURNAL
427 Sixth Avenue S.E.
Cedar Rapids, Iowa

I want to know more about the items checked below. Please see that complete information is sent to me without cost or obligation.

2-1 _____ 2-2 _____ 2-3 _____ 2-4 _____

2-5 _____ 2-6 _____

Name _____ Title _____

Building or Firm _____

Street _____

City _____ State _____

Personal And Profitable

2-3



This Desk-Topper drafting and layout machine, manufactured by Universal Drafting Machine Corporation, Cleveland, has a drawing capacity of 22 by 34 inches, a 9 and a 15 inch engine-divided aluminum alloy scale, a folding board, when opened, that accommodates drawings up to 17 by 22 inches, a box for instruments, a tracing paper dispenser, and a custom styled travel case. Other features include a 360 degree protractor 4 inches in diameter, automatic 15 degree indexing, full base line selector, elbow height adjustment, enclosed band and pulley arms, built-in brake for 10 degree board slope and precise accuracy.

Window Trim

2-4



Interior trim, manufactured from aluminum extrusions that have an etched and lacquered finish, is now offered for the PER-FIT Slider and BEST-VENT Aluminum Windows by the PER-FIT Products Corporation, Indianapolis. When installed the trim has exceptionally tight and flush mitred corners, and the trim edges lap the interior wall surfaces by about one inch. Interior wall surfaces may be finished before installation. This new Interior Trim is available for either single, double or multiple combinations of either the PER-FIT Slider or BEST-VENT double hung windows.

Booklet Offers 25 Top Points Of Selling

2-5

Top selling cues are now available for today's salesman in a "quick, handy, easy to take" form. A four-page booklet, listing 25 "ideas to help make more sales," has been developed by Kelly-Read Company, Rochester, New York, personnel development specialists, as a public service for salesmen. Copies of the booklet are offered at no cost to companies for distribution to their salesmen, "to encourage quality selling among sales personnel."

Mortar Mixer

2-6



The Andwall Manufacturing Company of Ixonia, Wisconsin are the manufacturers of this Andwall Mix-ter, a 4-cubic foot plaster and mortar mixer for masons, plasterers, and contractors. It is built with 30 inch doorway clearance to permit both indoor and outdoor one man operation and features waist-high charging and unloading height, bag splitter, and protective grid for safe operation. The Andwall Mix-ter is simple to operate, light, compact, easily moved from job to job and is available with either gasoline engine or electric motor drive.

J.L. Ragsdale

General Contractor & Builder

3706 B Skyland Drive • Chamblee, Georgia
EXchange 6087

September 24th, 1954

Mr. Thomas G. Barber,
Vice President,
American Houses, Inc.,
165 West 46th Street,
New York 36, N.Y.

Dear Tom,

Having read in recent trade journals of the "Million Dollar" sales success stories of your larger builders, I felt that you might be also interested to know how a typical small "2-house" builder—such as I—has also benefited from a very successful association with American.

During July, I built and exhibited one furnished 3 bedroom American Patriot with carport, and using your local builder promotional setup, I expected a normal reaction from the public. What happened was that in one week over \$220,000 in sales was recorded which represented a sell-out of every one of the 22 available building lots I owned. This small subdivision is now almost completed.

Building this way, with a minimum of builder's risk plus the outstanding features embodied in your design and quality materials, adds up to top public acceptance and good sense to me.

With best personal regards,
I am,

Yours sincerely,

J. L. Ragsdale
J. L. (Buck) Ragsdale

JLR/JS

22 LOTS... OR 220...

SELL-OUTS

WITH AMERICAN HOUSES



SOLD OUT IN ONE WEEK! Buck Ragsdale, who describes himself as a "2-house" builder, got to be a 22-house builder all of a sudden, with the 3-bedroom "Patriot Deluxe".



American Houses builders, whether they think in terms of ten, twenty, or two hundred houses a year, have learned to think in terms of fast sell-outs.

If you are interested in getting more profits out of your capital, as "Buck" Ragsdale did, drop a line to American Houses, and find out how it works.

American Houses Inc.

165 WEST 46TH STREET, NEW YORK 36, N. Y.



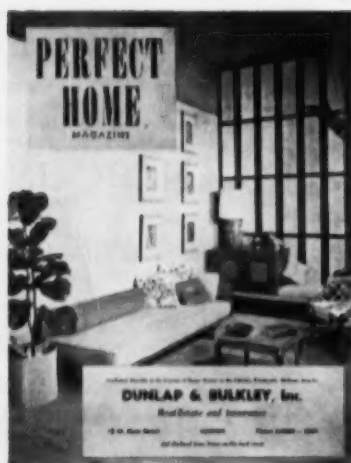
**"We have enjoyed sponsoring PERFECT HOME
for seven years,"**

say Carl A. Dunlap and William H. Bulkley, partners in real estate and insurance in Clinton, Connecticut.



PHOTO CREDIT CORRIDOR R. BROWNE

Dunlap and Bulkley, Inc. has been established in the village of Clinton, Connecticut for the past ten years. The office is located in the center of the town, and handles all types of real estate and insurance with a staff of six. Mr. Carl A. Dunlap (left) is president of the corporation and Mr. William H. Bulkley (right) is vice-president and treasurer. Both men are 36 years of age, veterans of World War II, and are members of the Chamber of Commerce and other civic groups. They have handled on a brokerage basis various shore developments and country estates.



WE have enjoyed the facilities of the Stamats Publishing Company for the last seven years and have found their PERFECT HOME service to be an excellent medium as a goodwill builder and background sales tool," say Carl A. Dunlap and William H. Bulkley, real estate partners in the firm of Dunlap & Bulkley, Inc., Clinton, Connecticut.

"It is difficult to find words that have not been expressed before by other PERFECT HOME sponsors, but we can, in all sincerity, say that PERFECT HOME Magazine is accepted and looked forward to by all the people on our mailing list."

Leading real estate, home building, and home financing organizations throughout America share the enthusiasm these gentlemen have expressed for the PERFECT HOME program. These leaders realize that purchasing a home is usually a family's largest single expenditure in its lifetime, and most families seek to deal with a firm which merits their confidence and enjoys an unimpeachable reputation.

To help build that confidence and reputation, PERFECT HOME performs a service for the key people in a community whose opinions are respected. It is like a personal call, going into the homes of these people as the sponsor's own publication. Thus, PERFECT HOME cultivates third party influence and becomes a community force for home ownership.

Skillfully written and beautifully illustrated, PERFECT HOME Magazine gains maximum reader interest among these people. Sparkling photographs and editorial copy show the latest in home design, construction, decoration, and equipment. Every issue connotes quality, high ethics, fair dealing, and promotes the "home idea" for the group holding the exclusive franchise in a community.

By spreading editorial, art and other preparation costs among its users throughout the nation, and by sharing the local reproduction and mailing expense with selected, reliable local building factors who benefit from it, costs to everyone are nominal.

A limited number of exclusive, annual, renewable franchises are available to established organizations with unusually high qualifications.

If you are interested, address your inquiry to

STAMATS PUBLISHING COMPANY

CEDAR RAPIDS, IOWA

New fully Automatic Washer and Electric Dryer retails for about

\$140 LESS than any previous Frigidaire Laundry Pair



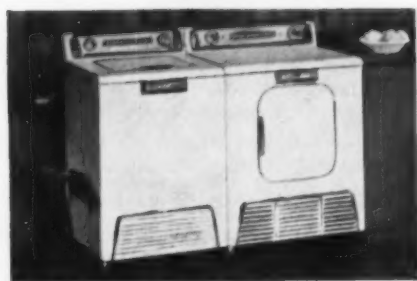
Priced with the lowest
for your low-cost homes

New Frigidaire Deluxe Pair

Now you can add the extra "sales magic" of Frigidaire laundry equipment to your low cost homes . . . *without paying anything extra* for the premium quality and wide acceptance that go with this famous name!

Here's a fully automatic . . . not semi-automatic . . . washer and electric dryer that compare with appliances costing many, many dollars more. Never before has so much washer and dryer been priced so low!

Packed with high-priced features women want most! And women appreciate Frigidaire's exclusive, heavily promoted Deluxe Pair features, like: Live-Water Washing; Float-over Rinsing; Rapidry Spin; extra porcelain; the giant Screen Drawer. You'll like the selling help they give you, too. So call your Frigidaire Dealer or the Frigidaire Distributing Headquarters nearest you today.



For custom homes the Frigidaire Porcelain Pair Washer and Dryer — the finest money can buy! With these extra features: all-over Lifetime Porcelain rust protection on washer and dryer. And Frigidaire's exclusive Filtrator that ends plumbing and venting needs for dryer.



FRIGIDAIRE APPLIANCES

Built and backed by General Motors

You can sell and build NATIONALS ALL THE YEAR 'ROUND!



No "Closed Season" on profits for **NATIONAL** Homes Builder-Dealers

Sells 140 Nationals... One November Week-end

H. B. LAYNE CONTRACTOR, INC.
Springfield, Ohio

We announced our Edgewood subdivision at Vandalia, Ohio, on Saturday, Nov. 6, 1954, featuring 3-bedroom National homes exclusively. Response was so terrific that it took five state troopers to handle the Sunday turnout. By the following Wednesday we had 140 firm sales—\$1,288,000 gross volume. We closed another 51 the next week. National Homes' "pre-selling" plus aggressive local promotion enables us to do business regardless of the season!



H. B. Layne



ONE OUT OF EVERY 48 HOMES BEING BUILT
IN AMERICA TODAY IS PRODUCED BY...



Winter, spring, summer, fall—any time of the year is selling time for you as a National Homes builder-dealer.

Even snow can't stop the demand for beautiful, spacious National homes. Rapid construction winter or summer means profits on a 12 months' basis for National Builder-Dealers!

Watch National Homes' tremendous Open House program breaking February 26th backed with full-color ads in Life, Saturday Evening Post, and other leading magazines. Then figure out for yourself what it would mean to you to share in this volume-making sales drive!

Year in and year out, you'll do better with a National Homes franchise. Write today for details.

NATIONAL HOMES CORPORATION • Lafayette, Indiana

© 1955, N. H. C.

Community Facilities—A Challenge • • • • •

AS PRODUCERS and merchandisers of the nation's homes, the entire real estate and building industry must face squarely — and immediately — a perplexing problem it has helped to create. In our eagerness to provide constantly better housing for a shifting, increasing population we may be harnessed by lack of community facilities.

The term "community facilities" encompasses many of the principal ingredients of good housing — water supply, sewage disposal, utilities, and adequate schools, shopping and recreation facilities. Yet only one of these — shopping facilities — is keeping pace with our home building rate. The others are likely to put a limit on housing production unless something is done and done fast.

Here is the problem: If we continue to build at the present rate we must move farther out from the central city to find available land. The farther we move out the farther we must bring sewer and water and utility lines. The fringe areas into which we move are in many cases unincorporated with no facilities of their own and no method of financing them. Consequently, we put more of a load on the central city, already straining to carry its present burden.

The problem is much like that of an army that stretches and stretches its supply line. It is a problem in logistics. At some point there is a danger of that supply line being overextended.

To show the immensity of the problem, Dr. Ray L. Hamon of the federal Office of Education said at the NAHB convention that we need \$10.6 billion for schools now in terms of 1951 prices.

When a subdivider develops a project of homes in a fringe area, who is to provide the schools? Should the subdivider provide the land? And what else? In Park Ridge, Illinois, \$300 was tacked onto the price of every new house. The builder signed an agreement to provide school facilities within three years or refund the money.

School facilities, however, are only one part of the problem. How much of the load must the developer carry to extend sewer, water, and utility lines to his subdivision? And how about streets and roads? And if he doesn't, who does? The city? But the area developed may not be within the jurisdiction of the city.

Unfortunately, there is no universal formula to solve the problem — no magical political wand that will provide the answer. Essentially, each must work out its own plan appropriate to its own situation. The subdivider's responsibility is to provide in his project those facilities which are necessary to it. So society, through one central, local agency, must provide public facilities.

BUT—there are no central, local agencies to work on the problem. Utilities, sanitary facilities, recreation areas, schools are controlled by many separate groups or by no group at all. Then comes the question of financing these facilities — certainly a major stumbling block.

What can we do? The real estate building industry can make a significant contribution by dramatically publicizing the need to plan for future community growth. We can help set up a national organization to get the ball rolling — find out generally what community facilities are needed, why, how they can be financed, who is responsible for them, and where to start. A definite formula cannot be worked out, but this organization could contribute valuable suggestions. Then comes the establishment of central, local agencies which can draw upon these suggestions, fitting them into their own special situations. These agencies should have the power not only to plan but to annex fringe areas and finance facilities.

This is truly a challenge — an immense one — for the housing industry. But only by accepting the challenge can we continue to build the number of good houses that rapidly growing America needs.

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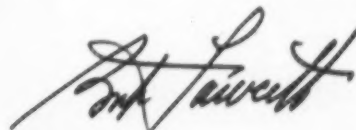
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Do you tell prospects "Drive by and see it yourself!"?



Have you become over-conscious of price?

Do you give location in your ads?



There is a growing tendency for prospective buyers to look for homes on their own, says our author. And there are six reasons why, illustrated on this page.

By FLOYD LOWE

President

California Real Estate Association



Do you give prospects a list of homes to inspect alone?

Do your "for sale" signs reflect the quality of your service?



Do you "show him a dog first" then take him to a good house?

Let's Bring 'Em

WE in the real estate business haven't come to be recognized as professionals. Buyers simply do not have the same confidence when they come to us to talk about the purchase of a home as when they ask a doctor about their health or a lawyer about their legal affairs.

Simplest proof of this is the prospective buyer himself when he says, "We want to rent a house first for a year in order to look the community over and find out just where we want to live."

Why doesn't the prospect trust us to tell him where the best schools are located, where transportation is good, where values have the best likelihood of being maintained, where a family just like his is most likely to be happy?

Is it any wonder that buyers want to look for themselves?

This practice on the buyer's part has been encouraged particularly since the war by large tract developments where people are invited to come and see for themselves. Usually financing is the main sales argument and no selling is required. Either he can buy or he moves on to another where

Back to the Office

he can. All of us know this type of selling is temporary at its best.

It won't be long until the undeveloped land within a given area will have been built upon and the resales begin.

Few of us are even allowed to sell in the original tract development. To offset this we have tried to "fight fire with fire" and hold "open for inspection" houses in strategic locations in an effort to obtain the names of these wandering prospects.

We're Driving Them Away

Many sellers have been told when listing their property that "open for inspection" methods would be used to sell their homes. Whether we do it consciously or subconsciously, we are trying to corral the prospects whom we have in a sense *driven* into the field to look for themselves.

How Have We Done This?

1) How many times do we give prospects a list of homes and invite them to take a look from the outside? Sure enough he asks us to do it, and we don't want to hurt his feelings. Who is doing the selling? When we sit quietly and allow him to sell us on the idea that he will know just what he wants, by driving past the property, our buyer is in full command of the situation. We've fumbled the ball and he's scooped it up and has control of the game. We have introduced him to the neighborhood and thrown him on his own. Small wonder the sellers begin to feel their own ability to sell their own properties when the prospects are calling on them directly.

Many of these same sellers have sold as many as eight or nine homes since 1940. During the war they were transferred from city to city, and after the war while trying to find a permanent job in an area they liked they again moved from one community to another several times. Some of them have a great amount of experience in dealing with buyers and in fact have learned a great deal about escrow. Indeed, many have become quite proficient in our business. Small wonder a large number of them are convinced they know more about it than we do.

The same thing can be said about giving the address of the property in the classified ad or to the customer who calls on the telephone.

2) Many of us are convinced "for sale" signs bring us many prospects. I'd like to suggest you make a careful survey of your last 100 sales and determine exactly what brought this customer to your office. We have kept a complete and steady record of the source of all our purchasers for the past six years. Now, mind you, I did not say all our prospects. I did say all our *purchasers*.

We believe without exception you will find a minute percentage who came to you because of a "for sale" sign. It is easy to remember the one person now and then who blandly states, "I saw your sign on your property."

What you don't know, and therefore cannot remember, is the number of people told by the real estate signs in the street that those homes were available and thus made it easy for them to look on their own. It simply wasn't necessary for them to come to your office.

Everyone likes to make a sale on his own. It's a source of pride, and usually there's a feeling money can be saved by doing it. Can you possibly compare the number of sales lost by use of signs with those actually made?

With signs ranging from crude homemade to professional types, can the prospect possibly refrain from dividing us into as many classifications? Every sign paints some kind of picture.

Or have you ever tried to show a home in a street knowing it to be just what our customer wanted and be forced to drive by similar homes with a "for sale" sign in front of them?

"How about this one?" "What is the price of that one?" "I think I'd like to see this one." "Do you have that one too?"

How will you ever reduce your number of showings per sale to an effective and economical minimum under such circumstances? The truth is, of course, that you are just lucky if the customer ever got to your office because these

signs beckon to him as he takes the family for a ride on Sunday.

We have long been accustomed to the use of signs as one of our better advertising features. There is no sin in making a change if conditions demand it. There is an old saying "Trees that don't bend with the wind will break."

A great many communities no longer have "for sale" signs on first residential properties. We have not used them since 1936 in Palo Alto, California. Adjacent areas have now eliminated them. We believe we can boast of as high percentage of sales through brokers as any place in the nation. We attribute a great deal of this to the abolishing of "for sale" signs.

3) While attending the national convention of NAREB in Cleveland I earnestly went to as many of the panel meetings and brokers studies regarding our various activities as I possibly could. I came away convinced on a number of occasions that our industry members are more anxious to take a listing at a price that does not require any selling than anything else. There seems to be a general feeling of criticism toward sellers that they all want too much.

Have you ever set a price on a property that you owned. How did you feel about it when told that your price was too high?

What You Can Do About It

Here are some of the recommendations brought up at the convention:

Ask a seller to help write the ad. Tell him you will not take his listing if you think his price is out of line. If your fellow broker told him he could get more for the property grab a bag of "sour grapes" and tell him to give his listing to the other fellow and that you will wait for someone else to spend his money advertising it until such time as he wants to become realistic about his price.

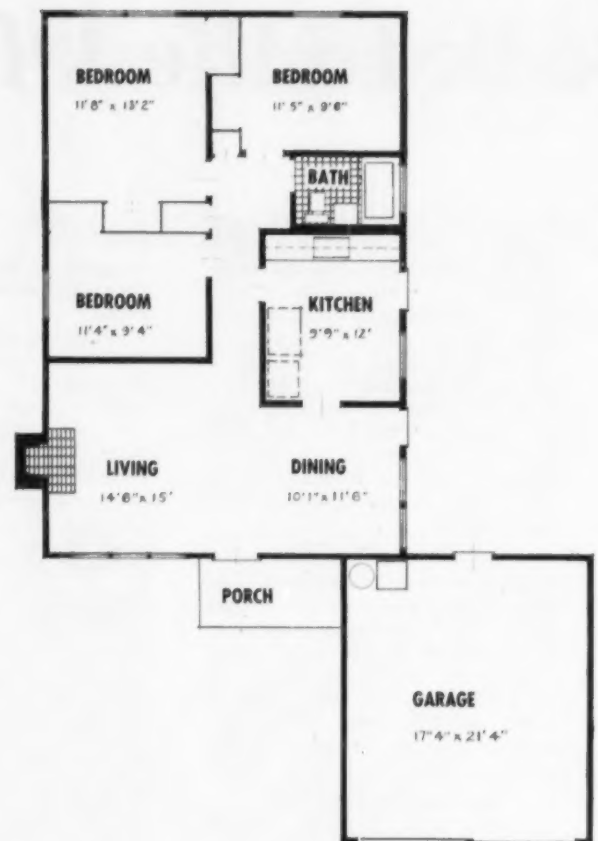
What difference does the price make if the seller's motive is genuine? Is the property really going to sell? If there is a real reason it *will* be sold and the *buyers* will determine the price. The smart salesman will help seller and buyer to arrive at that price.

4) Do you drive your customers away by "showing him a dog first?" I heard a great many apparently successful people say, "After I talk with them I like to take them out and show them a real dog. Then I quickly take

(Please turn to page 44)

He Builds A Convertible School

Houses which double as schools are solving a critical problem for this California project. And the plan is building goodwill for the developer, too.



HERE'S a new idea for a low-cost solution to the problem of over-crowded schools each time a merchant builder launches a new tract home development. Developed by Andreas F. Oddstad, president of Sterling Building Company, the solution is in effect at his 3,500 home "planned" community in Linda Mar, a tiny Pacific Ocean village just south of San Francisco.

Linda Mar will eventually have schools, parks and a large regional shopping center. Meanwhile Oddstad is erecting a cluster of 11 houses on lots adjacent to the area designated for a school grounds. These houses will be connected by a covered promenade and will be turned over to the school district on a lease arrangement for as long as they are needed. As a result, a new school will be ready for sessions this Fall.

Linda Mar homes are in the \$10,000 price range with four variations on a basic plan. They have three large bedrooms, and a two-car garage with additional room for storage or work space. Each living room has a Swedish-type raised hearth fireplace and all-brick chimney. All homes have a Youngstown kitchen. Foundation walls, including driveways, walks and patios use a "panel form" and all window frames, doors, door frames, wardrobe closets and portions of the roof gables are fully manufactured in Sterling's plant in Redwood City. Framing is conventional, using Douglas fir. Redwood is used wherever possible on exterior trim. All redwood interior parts are deep dipped in Celtox, a termite, rot and moisture resistant chemical.

The 11 school houses will be built exactly the

Linda Mar homes to be used for school rooms will be exactly the same as other homes in the development. Interior partitions will be left out while the home is used as a school, then installed when it is re-converted to a home. Covered walks will connect the homes. Eleven homes will be used, with the center one being devoted to administrative use.

same as all other homes in the development, except that they will be constructed without interior walls. Thus, each will be a "king size" 40- by 26-foot school classroom instead of a three-bedroom home.

Architect Victor Abramson designed the project so the cluster of class-rooms can be re-converted into three-bedroom homes by simply removing the connecting breezeways and finishing the interiors.

Henry Verdellin, president of the San Francisco Bank, loaned \$155,000 to finance the idea without the usual requirement of a long term lease. The bank accepted Oddstad's assurance that when the school is finished with the buildings, his firm will take them back and make saleable homes of them.

The school board thus gets a complete school plant without a bond issue, without a cent of capital investment and without long term leases. The board will also save some \$60,000, the cost of buses to haul Linda Mar children to other already over-crowded schools. Trustees of the school district will pay only \$855 a month to cover interest on the loan and operating expenses. Eventually, a \$300,000 conventional school structure will be built.

You Can Select Salesmen

Scientifically

Too often men who apply for real estate sales positions are not qualified. A Minneapolis firm attacked the problem scientifically to find that standard psychological tests, when given properly, can predict if your sales applicants will succeed.

By WILLIAM CUSACK

Realtor
Minneapolis

DURING the past two years our company has made extensive studies, searching for ways to select salesmen scientifically.

In March, 1952, seven Cusack and Carlson salesmen took a series of psychological tests. The experiment was simply to find out if such tests could be used to distinguish between successful and unsuccessful salesmen.

We engaged an industrial psychologist, Dr. W. C. Coffey, Jr., to conduct the tests. Dr. Coffey did not meet the men being tested. He identified each of them only by their signature and a code number.

Four tests were given, three of which are standard for studies of this kind: Wonderlic Personnel Test, Kuder Preference Record, Strong Vocational Interest Test (Men), and Minnesota Multiphasic Personality Inventory.

We compiled a list of the men according to their actual sales production. And Dr. Coffey compiled a list of their predicted sales production based on these tests.

When we compared the lists, the results were startling. *With the exception of one man who was two places out of order, the lists were identical.* Recognizing that the sample of seven salesmen was small and that chance factors could affect the results, we continued to test the psychometric method during 1952 and 1953.

This is what we found:

On mental ability, C&C salesmen ranked slightly above the population as a whole.

The Strong Vocational Interest Tests showed that sales were the underlying interest. The so-called "Persuasive Scale" of the Kuder Preference Record showed that C&C men ranked exceptionally high.

Secondary interests of the men varied widely, with the average on the clerical scale higher than 50 out of 100 men. Oddly enough, on the basis of the "musical interest scale" of the Kuder test, the men ranked higher than 73 out of 100. The group also showed interest in such things as decorating and literature.

We found that C&C men are well-adjusted, relatively uninhibited, physically and mentally active. For example, the psychologist commented this way about one salesman:

"Personality measurement indicates the promoter type, and would indicate great capacity for enthusiasm and activity. He probably has more than one iron in the fire most of the time and it is more likely he has well developed social skills."

Early in 1954 Cusack and Carlson changed its methods of conducting business on the sales floor. The changes made it possible for

a newcomer to compete successfully with our salesmen who were accustomed to the old system.

In July we made a study to see if there were measurable differences between the men who worked successfully under the new system and the group that had been tested earlier.

We found several differences. For one thing, the new group is more intelligent. And although their primary interests are about the same, the second group showed an interest in computational work that the first group lacked.

The second group showed a marked interest in literature, an area pretty well ignored by the first group.

Personality tests revealed that the two groups were basically similar, but the second group was found to be more active, enthusiastic and creative.

Without trying to build a case for this kind of analysis, the fact remains that successful men share certain characteristics that unsuccessful men lack. We also found that you can measure the differences between successful and unsuccessful men.

Important, too, is the fact that men who can adapt themselves readily to a new situation are measurably different from men who work most successfully under traditional methods.



Builders Grow

NAHB Convention Report

By ROGER C. LAKEY, *Managing Editor*



Incoming NAHB president Earl Smith pins past-president's badge on R. G. Hughes, Association chief in 1954. Smith promises a down-to-earth approach to builders' problems in 1955.

Exposition opening at the Hotels Hilton and Sherman drew tremendous crowds. Exhibitors were enthusiastic about the interest shown in their displays and products. Exhibit booths covered three floors of the Conrad Hilton and two floors at the Sherman.



Dr. George W. Snowden, Minority Group Housing Advisor for FHA, addresses delegates during minority housing session. Minority housing was described by 1954 president Dick Hughes as a "major problem" facing the association this year.

More Community-Conscious

WHEN 23,000 people descended on Chicago for the NAHB convention last month, there was no question that the exposition was bigger than ever. But its very size made some builder-delegates wonder if it really was better than ever.

Sessions were well planned and covered every phase of housing. But because meetings were spread among three hotels and the rooms were overflowing, there was little opportunity for delegates to ask questions from the floor. Some delegates commented that convention sessions were aimed primarily at the big builder and that there were few practical ideas for the small operator.

Although builders wearied of fighting the crowds for four days, they left the convention with optimism. They had just racked up another near-record year of 1,215,600 starts and they left convinced they could reach or surpass that figure in 1955. They knew, too, that building many more than that number might exhaust the supply of mortgage money.

A parade of speakers from all segments of the industry and government were responsible for the atmosphere of optimism. Rep. Jesse P. Wolcott (R-Mich.) told delegates the climate had been created for production of 1.4 million homes this year — equal to the 1950 record.

"One of the things that concerns us most is whether we have done such a good job in the Housing Act of 1954 as to precipitate a housing boom," Wolcott said.

Senator John J. Sparkman (D-Ala.) praised builders for improving America's housing and pointed out that 55% of the nation's families now live in their own homes. He said there was still an insatiable market for housing and predicted a need for two million or more units per year between 1960 and 1965. He discounted recent criticism about credit terms being too liberal, he told builders that the industry has still not provided sufficient housing for families in the \$3,000-5,000 per year income class.

Unlike previous years, this convention saw no heated debates on legislative problems. Albert M. Cole, Housing and Home Finance Agency administrator, said, "It is a refreshing change to find your programs singularly lacking in proposals for major legislation that you think we need." Cole believes that the 1954 Housing Act provides the tools and now private industry must take over and put them to work.

Little was said in convention sessions about the recent housing investigation in Washington. NAHB Executive Director John Dickerman said official public statements "unfortunately tended to discredit the entire home building industry, but that only a fraction of 1% of the total industry was in any way involved." Dickerman believes that time will place the matter in its proper perspective.

Merchandising received much emphasis. Realtor-builder Franklin L. Burns directed an unusual afternoon session. Professional actors dramatized points of salesmanship. Sam Russell, energetic sales manager

At a four-day jam-packed meeting, builders learned they could expect high housing production indefinitely. But they were warned that too high a volume this year could exhaust the supply of mortgage money. They also learned that lack of minority housing and community facilities are the two most serious problems facing the industry.

of D. C. Burns Realty and Trust Company in Denver, told builders how to "open the door and close the sale." W. R. Northlich, Cincinnati advertising executive, told delegates that successful advertising and merchandising is a job for an expert. He stressed that builders should plan an adequate budget for successfully promoting their projects. A host of speakers, including Frank Cortright, NAHB's retired executive vice president, Harvey Meyerhoff, Bruce Blietz, William Hendy, and Nat Siegel gave delegates concrete ideas on merchandising and promotion. Gene Flack wound up the session with a punchy, dynamic talk on selling.

At a session on market analysis, Thomas Coogan, former NAHB president, said, "Builders have been selling financing, not housing. With mortgage arrangements playing a lesser role we're going to have to start selling houses."

Outgoing President Dick Hughes said minority housing and community facilities for the fast growing suburban areas are the two biggest problems facing the industry. "I believe minority groups deserve houses as good as those for other buyers. There should be no difference in housing standards and financing."

As Cole put it, "Blight has not followed the Negro — the Negro has been forced to follow blight."

Hughes proposes a four-point solution to minority housing:

- 1) Lenders should set aside 10% of their investment funds for minority housing loans.
- 2) Builders should pledge at least 10% of their production for minority housing.
- 3) Builders, civic groups, officials and citizens should make a joint drive to provide good building sites to meet the local demand for minority housing.
- 4) Minority groups should encourage more home builders within their own ranks.

What about public housing? Congressman Wolcott said the President is asking Congress to put 35,000 units per year into the pipeline during the next three years. In explaining the President's stand on public housing, Wolcott said the 1954 Housing Act pro-

vided for these 35,000 units per year for a definite purpose — to house people displaced by urban renewal and slum clearance. He sums up the President's attitude this way: "We will build public housing on a year-to-year basis and if private enterprise does its job, perhaps before the four years are up we won't need public housing."

Dr. Abel Wolman, international consultant, stressed to delegates the serious lack of community facilities (reported on page 32 of this issue).

Receiving a generous share of delegate's attention were the colorful displays of 350 manufacturers.

Alert to competitive conditions, builders were keen to find new products and equipment which will add sales sparkle to their homes. There was a surprising increase over the previous year in the number of built-in countertop range units and eye-level ovens, shown in copper finishes and stainless steel. One manufacturer has range units which fold down from the wall.

Outside the Hilton Hotel, three prefabricated home manufacturers had erected complete model homes. At a session on prefabrication, General John J. O'Brien, president of the Prefabricated Home Manufacturer's Institute, urged builders to get into prefabrication early. He said 75,000 units were produced in 1954, an increase of 33% over 1953. He predicts 1955 production should easily reach 100,000 units. "In ten years, practically all homes in the price category under \$12,000 will be prefabricated."

Throughout the entire convention, delegates heard a host of prominent speakers from outside the industry. These included Edward McFaul, who held three "eye opener" sessions of inspirational and humorous talks; Dr. Norman Vincent Peale, who gave positive tips on how to live without jitters; General Carlos P. Romulo, Philippine soldier-statesman, who warned that the free world is losing its fight against communism in Asia.

The American Legion's national commander, Realtor-builder, Seaborn P. Collins, attributed the great home building boom to GI home loans. He anticipates

a high level of GI loan activity for a long time to come. "Approximately 12 million eligible World War II veterans have not used their loan privileges and nearly two million more have partial entitlement remaining."

Toward the end of the convention, NAHB directors elected Earl Smith, El Cerrito, California its new president. At a press conference, Smith told JOURNAL editors he plans a down-to-earth approach to his job next year. He will put much emphasis on better design and construction.

On the closing day NAHB announced an 18-point policy to support: 1) High volume of investment in residential mortgage credit. 2) Residential mortgage credit made available to all qualified American families. 3) Voluntary Home Mortgage Credit Program. 4) Maintenance of the Central Mortgage Reserve facility operating on private financing but impartially supervised by Government. 5) Maintenance of FHA and VA as business-like institutions. 6) Wider use by FHA of its temporary fee appraiser system. 7) More realistic rates to assist in getting the services of qualified per diem appraisers. 8) Establishment of a trainee program to attract competent young men into appraisal and cost estimation. 9) Legislation to permit FHA to use an appropriate part of its income flexibly in accordance with its needs.

10) Continued high volume of home production. 11) Builders efforts to keep their prices from rising and those of material suppliers and labor. 12) Defeat of proposals to deprive construction workers of protection under the Taft-Hartley Act. 13) Efforts to increase apprenticeship training programs in home building. 14) Active minority housing programs. 15) American Council to Improve Our Neighborhoods as a new force to bring home to the people the importance of urban renewal and redevelopment. 16) Sound planning, zoning and subdivision regulations to solve the community facilities problem. 17) Curtailment of any further federal public housing program. 18) Expansion of NAHB's research institute at the new National Housing Center.

Action —

**a program that needs
your support**

WHAT is ACTION? It means *action* in delving into the job of slum clearance and urban renewal. It stands for American Council to Improve Our Neighborhoods. It had a prominent part at the NAHB convention and is receiving industry support. Here is why every Realtor and builder in the nation

should be interested in this commendable program.

ACTION is the "brain child" of about 250 people from all over the country who believe there is a serious need for an organization to deal with the problem of urban decay.

Strictly non-political, ACTION intends to pursue its program through three channels: research, public information, and field service. The basic policy of the organization is to help local communities help themselves. ACTION will work through established organizations, encouraging them to organize and cooperate to raise needed funds, stimulate public interest, work for new legislation.

Major General Frederick A. Irving (Ret.), former West Point superintendent and president of ACTION, told a press conference at the convention that ACTION takes no stand on public housing. "We are only interested in taking whatever steps are needed to eliminate slums or slum conditions," Irving said.

Builders Told:

Be more aggressive in your merchandising. Use professional help in sales and advertising

Selling situations were dramatized by professionals during the big merchandising session. Other skits, colored slides and the inimitable Sam Russell put this session on the level of a "big production."

Here are the best ideas culled from the sessions on merchandising at the NAHB convention.

IN AN ACTION-PACKED afternoon session, builders were shown why they'd have to be more aggressive in merchandising their houses. Frank Cortright, panel moderator, said builders need seven things to do a good merchandising job: Good location, right land cost, professional land development, good house design, quality construction, appealing home features, and adequate financing.

Cortright's panel offered these tips:

William Hendy of Cincinnati says to promote houses any day of the year. Builders used to build houses and then wait for the public. They depended

on Spring, Summer and early Fall as good building seasons in order to get people out. You can get people out *any time* with good merchandising.

"Go in heavily for landscaping. Save trees. Demand the best of landscaping materials. Give your model home a warm, lived-in look. Use a feature piece — such as an antique organ in the living room — that will start people talking."

Nat Siegel of New York buys all his furniture for demonstration houses. This gives him control of the whole show.

Harvey Meyerhoff says cooperating with stores on furnishings works better for him. He says it's important not to over-furnish the model house.

In training salesmen for demonstration house selling, Hendy says sales personnel need enthusiasm toward both the company and the product, and must know all the answers about construction, location, schools, etc. He says to get materials salesmen to help in demonstrating any special equipment.

To handle the crowds, arrange for parking space and police help ahead of time. Plan your parking lot at the same time as the project.

In handling the children you have two alternatives: Let them in and consider them their parents'

ACTION will not act as a lobby. Alan Brockbank, former NAHB president, indicated that instead of legislative pressure the chief concern must be arousing public interest.

"You can't do anything in these cities until you create a climate in which it can be done — and creating the climate can be done best by local representatives."

National organizations are cooperating with ACTION to stimulate interest in local units. Andrew Heiskell, publisher of *Life* and in charge of the public information program of ACTION, stressed that the need is for all local organizations to act together.

ACTION's role is to stimulate interest, provide information and practical help. But the actual work must be done locally.

Heiskell told the *JOURNAL* that the information program in the beginning will probably aim at those

groups which already recognize the slum and urban renewal problem. Once these groups have been made aware of what ACTION can do, then the task of broadening the information program will be easier.

The National Advertising Council is cooperating in the entire information program. ACTION will present its story through all the media of information available — magazines, newspapers, radio, television slides, films, pamphlets, brochures, etc.

ACTION will have seven regional offices. These offices will work with organizations in local communities to help them analyze their particular problems and work out solutions. Other assistance from the national office in New York will be available where necessary.

If you're interested in finding out more about ACTION and how you can help its program, write to ACTION, Box 462, Radio City Station, New York 20.

responsibility, or keep them out and provide entertainment outside.

Seek advice of experts on sales and promotion. Set up a budget according to what it takes to get attention in *your* area.

Hendy says one study showed \$85 to \$174 a house is what builders spend for promotion. He says 1% to 2% of the selling price should cover it.

Panelists urged builders to get acquainted with their local real estate editors. Give them complete

up your office in a room off the main path. Have plenty of chairs.

In displaying features, cutaway sections of the wall are good, but the sales people must be able to explain the construction.

If you use girls or models in the home, they should look like they belong in a home and not like fugitives from a chorus line.

W. R. Northlich, a Cincinnati advertising executive, defined advertising this way. "Call in a loud clear voice, but you better have something the hogs want."

He says put the prospect in the picture. Find out what they want, tell them about it and you make a sale. He says builders are lucky — they have something people want. Builders don't close as many sales as they would like because most people are afraid of something at the last moment — price, location, style, and so forth.

In writing advertising copy and in selling, don't treat adults as children, and don't tell housewives too much about what they already know. Remember that in your advertising people will only see, read and hear what they want to see, read and hear.

Northlich says your organization should develop its own personality. You should participate in local affairs. Know your editors and financial people. Be sure your own house is in order — neat office, enthusiastic staff.

In radio advertising don't buy time because it's cheap. Buy time near soap operas or at times when people are driving to and from work. Television is good during the day as well as in the evening.

Northlich advises against comparing the sales results of a \$2.98 item with one that costs \$10,000 to \$15,000. He suggests a regular campaign. One builder used small teaser ads on every real estate page in the real estate section.

Builders were urged to select professional help in planning advertising. Northlich says that in selecting an agency you should look for one which has accounts related to home building, and has successful people working for it and successful clients, as well as good financial standing. After you make the selection take the agency into your complete confidence. Northlich warns of the agency that wants to engage you at a cut rate.

In a fast moving presentation interspersed with skits, Sam Russell told delegates how to "open the door and close the sale." He gave six basic rules: 1) Make something happen; 2) Seek a mutual level of interest; 3) Avoid preconceived ideas; 4) Anticipate objections; 5) Keep moving forward; 6) Close at the professional level.

In another session, Mrs. Maude Butler of Tulsa, Oklahoma described how she uses kitchens as a key to merchandising. "It's the gadgets in the kitchens that sell the house," Mrs. Butler says.

Here are some of the features she has included in her "personality" kitchens: Plate rails with real plates; china cabinets to display plates; flower box between kitchen and breakfast nook; a rail placed around the kitchen for salt and pepper shakers; a rail to hang fancy pots and pans; flush lights over the sink and breakfast areas; pastel colors; wallpaper in the breakfast area. Mrs. Butler says to use decorative laminated plastic countertops and sometimes tile on the drainboards. And leave the snack bars to the restaurants. Use built-in gas and electric stoves, electric dishwashers and garbage disposers.



Dick Hughes moderates mortgage panel which warned builders that production much over 1.3 million this year may result in a shortage of mortgage money.

information about the project, photographs, map of layout, map of routes to development, and use these same things in your advertising. Use strategically located outdoor signs, designed in good taste. Use professional sign painters. Don't crowd the copy — use lots of white space.

Give houses interesting names, such as "Forever Houses," used by the Pardee-Phillips Company. Play records softly in the background and intersperse 45-second voice recordings describing features of the house. Don't overwork this, however. Use direct mail for advertising if you can obtain accurate lists of prospects.

Many builders use night selling successfully. One builder figures how much lighting he needs and then doubles it.

What about the closing office on the site? One builder says you should realize that a couple about to sign a contract are entering a big moment in their lives. Give them privacy — it's a big decision. Set

What is the Economic Outlook for '55?

WHAT DOES THE HOME building industry have to look forward to in 1955? What are the reasons for optimism? What are the chief causes of concern?

As one economist put it, the economists have been wrong in their predictions on home building right along and will probably be wrong again this year.

NAHB members were given various estimates of 1955 starts, ranging from a million to as high as 1.7 million. The consensus is approximately 1.3 million housing starts for this year — an increase of about 100,000 over 1954.

Experts reminded the home builders that there is more to be considered than just how many houses can be built. The improved business situation generally will make it more difficult for home buyers to get mortgages — particularly the 30-year, no-money-down kind.

Dr. George Conklin of Guardian Life Insurance Co. predicted a tightening of the mortgage market and a slight increase in interest rates.

According to Conklin, money and credit will be available unless housing starts exceed 1.3 million. He called attention to the December 1954 figures, which, he said, "scared hell out of us."

Projecting those figures would bring us to a figure of 1.7 million starts in 1955 — and Conklin contends there won't be sufficient money available for that kind of demand.

The government point of view was expressed by Ewan Clague, special assistant to the secretary of

labor. Clague also sees the year as one of continued high production in homes. (The official Labor and Commerce Department estimate is for 1.3 million starts this year, but Clague said that privately some government officials thought it would run higher than that.)

Clague remarked, also, that the decline in mar-

In a question and answer period, someone asked, "Are we overbuilding?" Fritz Burns, Los Angeles Realtor-builder and leader of the discussion, gave a classic answer to that one.

"Well, I'm not," he said, "but every other so-and-so in my neighborhood is."

riage rates is being offset by "household mobility." None of the experts expressed any doubt that the demand for housing would slack off. Dr. Conklin said "there is a limitless demand for homes."

Dr. Edwin B. George, Dun and Bradstreet economist, told the meeting that 1955 promised to be a year "without any character at all." He explained this as meaning that the forces active in the economy are pretty well balanced — no sign of anything spectacular in any direction.

Here are the factors to watch:

ON THE CREDIT SIDE

- Economy is stable and improving gradually — but there are no signs of boom.
- Inventories are rising.
- Gross national product is increasing.
- Housing demand remains strong as ever.
- Home ownership idea is broadening.
- Wages and disposable income are rising among low- and middle-income groups.
- Veterans remain a strong pressure on the market.

ON THE DEBIT SIDE

- Constantly increasing mortgage debt may be a long term threat.
- Mortgage money supply is tightening.
- Short-term loans for business inventory build-up bites into money supply.
- Shortage of land and community facilities.
- Big road building plus big housing year may create labor shortage.
- Vacancies are on the increase.

We Have to Meet the Community Facilities Problem

By DR. ABEL WOLMAN*

Johns Hopkins University

We can no longer deal with water supply, sewage disposal, schools, land development, roads, utilities as separate problems. Some cities already have taken the step of creating metropolitan authorities that group all these items together. This may be the solution to your city's problems.

WHAT can be done with what we call the "great spill" over the old city boundaries? This spill began long before it became a matter of general and local discussion — somewhere around the 1920's.

It was sharply accelerated during the war period, and has intensified since the end of the war.

It is necessary to repeat some data you have heard in order to give some impression of what has happened. We have had an increased rate of population growth — which is a modern way of saying that people have rediscovered that they can have children. It is one of the great biological rediscoveries of the last 10 or 15 years.

Last year, more than four million children were born in this country. That is the largest number in any one year since the beginning of our history. We have reached a population of 164 million, a figure we had expected to attain in 1975. Some now expect a population of 200 million by 1970 or 1975, a total we were supposed to reach in the year 2000.

We have had more births. We have a higher standard of living. The automobile has made it possible for people to live in one place and work in another. We have decentralized some of our important industries. We have had a tremendous upsurge in housing construction, and we have had a general desire to escape from the overcrowding, dirt and litter of the cities.

This is a characteristic of the rapid growth of

every big city in the world. This is not an American phenomenon.

The prospect is not a happy one. It is estimated that 1.4 million houses will be built this year, and even if it falls short of that it will intensify the problem.

We will need a tremendous number of schools, water supplies, sewers, drainage, highways and other facilities.

The setting is one of chaos in political organization and financial administration.

Society is completely unprepared to meet the services required by the average population. Another problem is that we are a nomadic population, more so than the Indian.

Our problem is this: How can we provide the public services essential for modern living, which we have taught the average American to demand? — such things as water supply, sewers and sewage disposal, streets, roads, parks, schools, health, recreation areas and the like.

We have had a tangle of reports, reviews and studies which, so far, have resulted in little or no action.

In Allegheny County (the Pittsburgh area), there are 398 independent public agencies. The efforts towards consolidation, towards having them operate as any normal business enterprise have been, if not 100%, then 98% unsuccessful.

We have a few approaches to solutions, some good, some bad. But we are without formula, without political or legal basis. Builders, for example, are brought in and temporary expedients worked out to meet community facilities problems. We have what I would describe as public crap games in which one group spends \$150,000, another \$200,000, another \$300,000, to try to solve the problem.

All are bargaining solutions of only temporary value.

We have developed no reasonable formula for action. From the viewpoint of diagnosis, we have an absence of well-defined, coordinated, official organization with the power to tax and the opportunity to construct and to return payments for such construction.

There are several solutions. One has been popular for 20 years: When in doubt turn to Washington. Washington is a kind of remote Santa Claus from which money flows and for which nobody pays. The fact that it is not true isn't important. I hardly

NAHB Officers for 1955

President: Earl W. "Flattop" Smith, El Cerrito, California

First Vice President: Joseph B. Haverstick, Dayton, Ohio

Second Vice President: V. O. "Bud" Stringfellow, Seattle

Treasurer: Franklin L. Burns, Denver

Secretary: Carl Mitnick, Merchantsville, New Jersey

*This article has been adapted from a speech given by Dr. Wolman at the National Association of Home Builders Convention in Chicago.

consider it a solution at all because this is not a problem which is only centered on a source of money.

We are looking for a solution that has a broad base for financing community facilities required in every spill area, every metropolitan area in the United States. It is as true of areas of 5,000 population as it is of the areas of a million population.

We are looking for a form of social organization.

What kind of political unit must we have in order to get these facilities? It has to have managerial power and the legal capacity to raise money and assets for repayments.

Here are some of the ways for doing this:

1) Voluntary cooperation between the city government and the surrounding governments. Our experience shows that this looks better on paper and sounds better in language than it is in fact. With nothing else before you, you try voluntary cooperation. I rate it low. Everyone tries it first because if there is one characteristic of this problem it is that nobody learns by the mistakes of any previous undertaking.

2) "Joint ad hoc districts." This simply means providing special community facilities. Some examples are the Washington Suburban Sanitary District, Nassau county, Los Angeles county. It is well to bear this technique in mind.

3) Have the central city provide some of the services received in the outlying areas. Baltimore, for example, supplies all the water in Baltimore county, Hartford county and Howard county. New York City supplies the water to its adjacent areas. It is a stop-gap solution, but an important one.

4) Strengthen county governments. I am hopeful about this in a minor way. What it means is we hope we can convert the average county from rural thinking to urban necessities. In many ways it is a hopeless task.

5) Annexation. You wait until the area grows and gets itself fairly messed up and then you annex it. When you annex you take in areas that need a great many bond issues for community facilities, ordinarily unsupportable by the taxable basis that you take in, so that your city has to bear the annexation cost, the bond issues and the improvements.

6) The Greater Toronto Plan, which originated in 1953, is very interesting. In characteristic English fashion, a commission was appointed to review the general mess in the Toronto area, similar to the one in Baltimore, Boston, San Francisco, Los Angeles, etc., with exactly the same set of circumstances. They reviewed it for several years and said it was a mess.

However, the commission went one step further and said there was a solution to this mess and the answer is in the creation of what is called the Greater Toronto Metropolitan Authority.

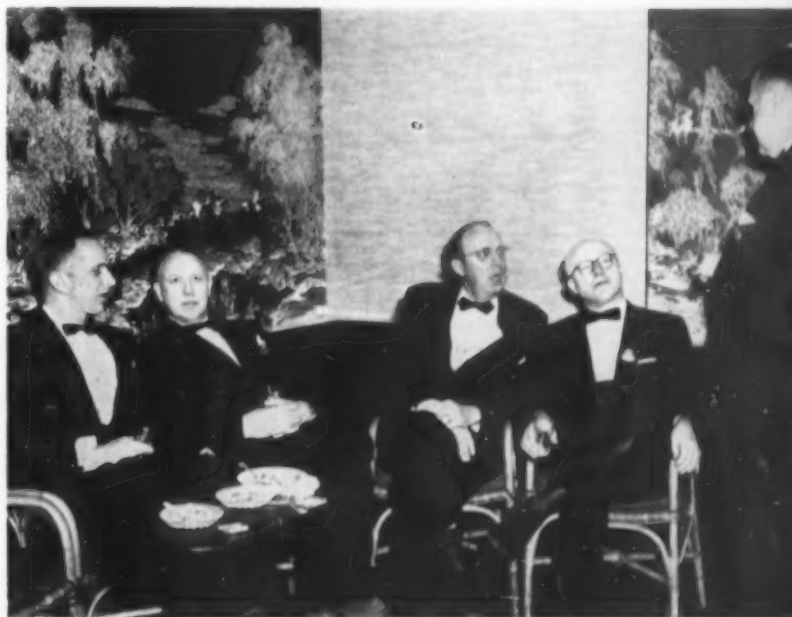
It takes over for the central city and the surrounding cities all the responsibilities for water, sewage, storm water drainage, refuse disposal, mass transportation, schools, highways and streets. It takes them all over. It bought them all up. It makes itself responsible now for the orderly construction, maintenance and operation of all those community facilities in the greater city area.

It leaves with Toronto and the other cities all those responsibilities other than those named. It undertakes, however, a present and future obligation of \$500 million.

It is a fascinating thing to see. It recognized that there was local autonomy, local competition, local



This hallway full of builders indicates the "standing room only" attendance at almost all convention meetings.



Martin Bartling, Alan Brockbank, Wallace Johnson, Joe Merriam and Tom Coogan (l. to r.) gather in typical informal "after-hours" session.

Past President Edward Carr of Washington and 1955 First Vice President Joe Haverstick converse at one of the many social affairs.



NAHB Convention Report

feeling on the part of all the officials that this should not be done. It recognized them and *overrode* them.

The Toronto system is a cue to the creation of a semi-city government in metropolitan areas. It is a device which spreads the community costs as they ought to be spread — over the rich, the poor, the subdivision, the residents, the industries and the commercial establishments.

You would be amazed to look at devices there are to escape pooling the resources.

Money is not the root of all this evil. We have the local resources for financing these facilities. In most instances, state subsidies are unnecessary, and in many instances federal subsidies are completely unnecessary.

What we are lost in is a situation where local resources have been scattered.

You might say, "I am in the business of building houses — I am not in the business of sponsoring legislation." But this problem will not solve itself. It is going to get worse rather than better. If you want to build houses in areas that are increasingly remote, because land in more favorable locations is

getting less and less — where these facilities are less.

Unless you develop the organizational device and fiscal devices through the long legislative processes of our individual states, you are not going to get those facilities but something worse.

You are going to be told by the officials who have jurisdiction over these operations, that you cannot develop. You are already being told that in some areas of the country.

You will be told that into this area you cannot go. You will be told that in such-and-such an area you will have to do so-and-so to finance it.

The public officials are as stymied as you are. They do not conspire to create this problem. But between the two of you, you must move into an action program which is above and beyond your normal subdivision building program.

The legislative process is one you are going to have to learn and use. The situation will not cure itself. There will be a middle ground for the cooperative effort of all. And if we are going to solve this problem in the next few years, this is the only ground on which it is going to be solved.

These Builders Say . . .

Trade-Ins Can Be Profitable

TRADE-IN houses received much attention at the NAHB convention. In a session on using trade-ins to boost new home sales, builders were given a wide variety of suggestions from colleagues who have developed the trade-in policy successfully.

Robert Snowden of Memphis says there are three choices open to his new home prospects who already own their homes. They can sell it themselves, have a broker sell it for them, or they can use his company's "guarantee to trade plan."

This is how Snowden's system works:

First he checks sales of comparable houses in the neighborhood. He examines the prospect's home without committing himself to a trade. After getting an idea of the market value of the house, Snowden then checks the FHA appraised value. The FHA estimate, Snowden says, actually fixes the market value of a house ("whether we like it or not").

If his estimate and the FHA estimate are in accord, Snowden calculates the amount needed for repairs and improvements. Then he offers to trade on this basis: His company will attempt for 60 days to sell the house (and if it is sold, collect the 5% real estate commission). If not sold in 60 days, Snowden guarantees to buy the property at the FHA appraised value less 10%. Five percent covers handling the deal and making improvements, 5% covers the risk in buying.

Irving Rose of Detroit remarked that it takes too long to get an FHA appraisal. His firm takes an arbitrary 5% (which equals the real estate commission) plus \$750.

John R. Worthman, Jr., of Fort Wayne, says his company deals in more expensive homes and isn't usually concerned with FHA appraisals. He guarantees 80% to 85% of the appraised value, deducts the mortgage and gives the buyer the balance as credit on the new home.

Worthman's company has set up a separate company to handle its trade-in transactions. Sometimes as high as 75% of the homes Worthman builds are built on a trade-in basis. The new company, Trade-In Homes, Inc., handles the guarantee, takes the deed, advances needed funds to the building firm.

The trade-in company also takes care of the sale and financing of the older homes. Worthman offers the services of the company to other builders whose new home customers want to use the trade-in plan.

Worthman also discussed the merit of an arrangement with banks similar to the "floor plan" of automobile agencies. The idea is simply that a certain percentage can be borrowed on homes which are taken in trade.

Worthman's company does everything with its trade-ins — rents them, remodels them, tears them

down, makes some into duplexes. Their aim is to make the best use of each home taken in.

How much should be spent on reconditioning houses acquired by trade came in for considerable discussion. The consensus seemed to be that a minimum should be invested in remodeling and repairs.

Ernest Becker of North Hollywood, California, recommended that no more be spent on hidden improvements than is absolutely necessary. Improvements should be made primarily in the kitchen and

bathroom. Becker also recommends as worthwhile putting considerable care into landscaping.

Built-ins, and particularly built-in ranges have real sales value, Becker says.

The present owner is a good source of information for making improvements, according to Becker. He can give you his opinion of the sort of repairs he would make if he were keeping the property, and such advice can be helpful in deciding what must be done.

Meeting Mortgage Needs in Remote Areas

The Housing Law of 1954 has in it a voluntary program designed to do two things:

- 1) Provide mortgage money for remote areas, small communities, and minority groups everywhere, and
- 2) Get the Government out of direct lending.

If big lenders support it, VHMCP can be of great benefit.

By ROBERT PAYTON, *Associate Editor*

THE VOLUNTARY Home Mortgage Credit Program is a plan designed to "even the flow" of mortgage money — moving it into small communities and areas that are remote from the main mortgage centers. It is also a means of making mortgage money available to minority groups who haven't been able to get it in the past.

The Program is now being set up. Regional chairmen and subcommittee members have been appointed and administrative rules are being worked out. The Program will operate until June, 1957.

How does VHMCP work?

Under the direction of a national committee — made up of men from the various types of lending institutions, builders, Realtors and government agencies — regional committees are set up to act as clearing houses for mortgage information.

These regional committees will determine where money is short in their area, will inquire among lending institutions in that area to see if funds are available outside the particular community involved. If not, other areas will be invited to provide the needed money.

Here's an example:

A young man wanting to buy a house is stymied by the lack of mortgage money in his town. He has approached at least two of the lending institutions in his town, but the money is simply not available, even though he qualifies in all respects for an FHA or VA insured loan.

The young man applies to the regional board of the VHMCP, certifying that he has tried to obtain a loan from local banks, savings and loan company or other mortgage source without success. The sub-

committee then circularizes a request to all participating lenders in the region, to see if any of them want the mortgage.

If not, then circularizing is done on the national level, with the possibility of a mortgage company in say, New Jersey, providing funds for a borrower in West Texas.

Local lenders who want to sell mortgages they've bought can also use the facilities of the Program.

All members of the VHMCP serve voluntarily, receiving only a specified amount for subsistence when away from their homes or places of business.

Where did the idea come from? What do the lending institutions think of it? Will it work?

VHMCP is based on the idea that direct lending by the federal government can be eliminated if private lenders meet the problem of inadequate distribution of mortgage money.

The biggest force behind the program in the beginning was the life insurance associations. The American Life Convention and the Life Insurance Association of America (243 companies holding 98% of the total life company assets in the country) submitted a draft of a bill to the Congress which differs only in minor details from Title VI of the Housing Act of 1954.

Carrol M. Shanks, president of Prudential, advocated the plan as sufficient in itself to meet the mortgage distribution problem. (Shanks opposed FNMA as unnecessary. At the Senate Banking Committee hearings, he said, "Basically there is no need for a Government secondary market function.")

Shanks also reported that the plan has the back-

(Please turn to page 45)

I AM the Fuller Brush man." Those few words open the door to more sales than any other words I know. The name of the salesman is secondary. "Joe Smith" will soon be forgotten. But next day at bridge club Mrs. Doe will ask: "Did you see that new brush the Fuller Brush man is showing?" "Joe" likes it that way; the name of his firm produces a great part of his sales.

And so it is in the Real Estate business — the reputation of your firm accounts for a big percentage of your sales. A salesman should be proud to give the name of his firm on all occasions. Why? — because he knows his firm has a very favorable reputation in the community. And this did not just happen. He knows —

1) His firm has been in business through a full cycle in real estate. Most organizations established within the last 20 years have not had the rich experience of coping with a deflated or diminishing dollar. The struggle to maintain a place of business and keep it operating during those earlier depression days gives one today a sense of balance, of caution to prepare for whatever may happen. The salespeople know this will benefit them, should sales fall off. Their firm will have the know-how to carry through.

2) He has only to study the growth of his city to find the names of the members of his firm tied up with its planning, zoning, hospital and school development, chest drives, and the like. A knowledge of civic affairs enables one to know his city better. This shows the salesman where to look for better buys for his clients who are speculative buyers. Rewards in knowledge and information are great when one gives freely of his time to civic work.

3) He remembers that deposits are cheerfully returned when a purchaser has had misfortune, even though such deposit could legally be kept. An office should not have the reputation of returning deposits for any slight reason, but people should know that their money is safe in your hands and that they can expect fair treatment, even better than average, when they deal with you.

4) He also knows of the commissions he, as a salesman, did not receive because his firm stands by its code of ethics at any cost. (It takes nerve and backbone to pass up a commission in order to ad-

here to a principle). It sometimes hurts to send a prospect back to another broker when you know you could sell him yourself. But the salesman knows the Golden Rule always pays.

5) The members of his firm have been active leaders in organized real estate on the local, state and national levels, because they wish to leave the business of real estate in a better position than that in which they entered it. Many times people tell us we could make more money if we stayed on the job rather than to take time out for various meetings. They forget the fact that home ownership in our country has increased by leaps and bounds, mainly because some of us have "taken time out" to protect the interests of the property owner, both locally and national-

ly. More home ownership definitely means continued increased sales.

6) His firm members avail themselves of all opportunities for continuing education in real estate, and insist that their salespeople do likewise. They know real estate is a fast changing business, and only by constantly adding to your knowledge of it can you better serve the public. A salesman may associate himself with an office which has no interest in promoting education, but after he has absorbed the ideas of the management his knowledge ceases to grow. This is not true in the case of the firm which strongly believes in more education; here he is continuously getting ideas for others.

7) He also is aware that there

"I Am Proud"

Few people know the importance of good public relations and reputation better than our author. And he points out what salesmen should know about their company and what they should be doing to improve and enhance their company's reputation.

By **RUSSELL POINTER**

Realtor
Saginaw, Michigan

Here Are Basic Requirements of Good Public Relations:

- Have the business know-how to carry through in bad times.
- Give time freely to civic work.
- Treat *all* people fairly.
- Stand by the code of ethics at any cost.
- Take time to promote home ownership.
- Strive constantly for better real estate education.
- Become known as real estate counselors.
- Always be in company of the right people.
- Stand up for private property rights
- Actively cultivate the key, influential people in the community.

are two ways of getting real estate business. His firm can "buy" its business by heavy social spending and entertaining. Or it can be so well informed that people will seek its help and council. His firm members, he knows, take active parts in service and similar clubs, but they are also well known as counselors in their particular field and are much sought out for counseling purposes. Real estate counseling is comparatively new in our business as a fee producing department. However, well-in-

formed brokers have been doing it for years. Now, because of our complex tax laws and the rapid changes in urban development, counseling is becoming more important.

8) He finds his firm members always in the company of the right people. He occasionally meets them on the way to church. A reputable firm will inform its salespeople that they should stop at the best hostelrys and restaurants because there lie the best opportunities for favorable public re-

lations and increased business.

9) He knows his firm will always take a stand in favor of the property owner against unnecessary government controls. Property owners are quick to sense who are their friends and protectors at the time of a local election where their interests or their properties are at stake.

10) He realizes that some of his commissions were earned from sales made as a direct result of good will which had been created by the continuous use of direct mail. He knows the story in his office of the very prominent business man who was asked to recommend a broker qualified to do a certain job. Without hesitancy the business man said: "Several of my best friends socially — men with whom I golf and play cards — are real estate brokers. But for a man who knows the business, see this fellow." And with that he pulled from his pocket the latest issue of *Ownership*. "The firm's name," he went on, "is on this little booklet, but be sure to return it to me because I haven't yet read it."

11) He knows another thing which may seem unimportant at first glance. The office personnel — the clerical staff — these people have been with the firm a long time. They know the boss and they know the business. They are in an excellent position to help.

IN CONCLUSION

A good reputation is won through good public relations. Good public relations is a goal which one works hard to attain. To reach that goal we pass through a continuous process of living and doing business in such a way that there can be no breath of criticism of our actions — there will always be praise and commendation. The salesman whose firm has a good reputation has entree to more and better contacts which result in better sales, and he in turn becomes a better salesman. The Fuller Brush Company spends untold sums of money to keep its name before the public. And they spend additional sums to see that that name is carried from house to house with favorable comments. That is why the Fuller Brush man is proud. That is why you are proud when you work for a firm whose reputation is beyond reproach.

Watch for next month's JOURNAL and another article in this sales series!



WHEN A BUSINESS IS ACQUIRED and valued on the basis of a list of customers which the prior owner serviced, and such customers do not continue to patronize the new purchaser, their loss is not a loss from trade or business operations and adjustment for such loss cannot be made by writing off the value of the lost customers against ordinary income. Such an acquisition is goodwill and if the value of the business decreases because of the loss of customers it can only be determined by selling the entire business as a unit and then it becomes a capital loss. (Anchor Cleaning Service, Inc., 22 T.C. No. 124.)

LOSS DENIED BECAUSE IT was neither a business nor a non-business but a personal loss from an attempt to provide a personal residence. Taxpayer and wife joined with eight others in a venture to build a cooperative apartment house. It was incorporated but no stock was issued. After expenses were incurred in preliminary investigations the project failed; financing could not be secured. It was abandoned. Taxpayer and wife suffered a loss of \$980, which they claimed as a deduction under Section 23 (e) 1939 Code, as a loss from a transaction entered into for profit. The tax court affirmed the Commissioner who denied the deduction. (Chooluck T.C. Memo 1954-150.)

NOTE GUARANTOR'S LOSS held non-business bad debt. Taxpayer, an officer and stockholder in a corporation, during 1947 endorsed a note given in the name of the corporation. The corporation was unable to pay the note in 1950 and the taxpayer was obligated to pay the note. Taxpayer claimed the payment as a loss arising

from a transaction entered into for profit. The Commissioner and the tax court, however, decided the loss was non-business bad debt deduction under Section 23 (k) (4) 1939 Code.

WHEN YOU SELL YOUR OLD home and purchase another within one year, under Section 112 Internal Revenue Code, you must report the transaction, even though you may have no tax to pay. This will allow you to establish the basis of your new residence for tax purposes. There have been misunderstandings regarding this section of the code. The new 1954 Code allows sales commission to be deducted from the selling price of the old residence, if the selling price exceeds the purchase price of a new home, to report the taxable gain. Another feature of the new 1954 Code allows remodeling expenses on the old home, and made within 90 days prior to its sale, be used to reduce the non-recognized gain in establishing the cost basis of the new residence for tax purposes.

SALE OF EQUIPMENT USED in trade or business, by a partnership, at a loss is a business loss and deductible from partnership ordinary income under Section 117 (j) capital gain and loss transactions. Such transactions do not have to be grouped with the individual partner's Section 117 (j) capital gain and loss transactions. Tax court decided this in the case *Ammann v. Comm.*, 22 T.C. No. 133. However, under the new 1954 Code such losses will be considered as the losses of the individual partner and grouped with his other capital gain and loss transactions effective after December 31, 1954. Therefore, any

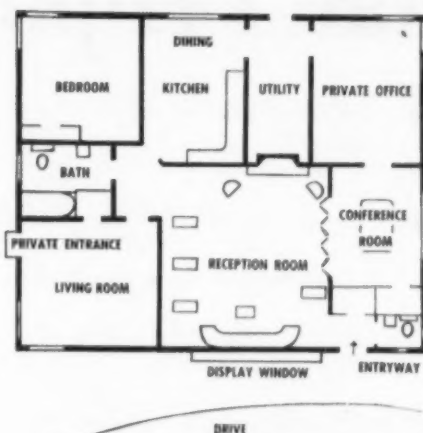
transactions of this nature should be cleared prior to the final date.

WHEN AN OBLIGATION taken as payment in consideration of a sale of real property (and the gain was reported on the installment basis) is satisfied by the purchaser with new notes and mortgages of another purchaser, the balance of the unreported profits become taxable income in the year that the original notes or mortgages were satisfied. (*Burrell Groves, Inc.*, 22 TC No. 138.) The original obligations were not assumed by the new purchasers. They were cancelled and satisfied with new notes and mortgages from a different debtor.

THE USE, PURPOSE AND function for which the new property was acquired under an involuntary conversion or condemnation award governed the tax court's ruling for the taxpayer in *Gaynor News Company, Inc.*, 22 T.C. 144. Taxpayer purchased improved property in 1948 intending to erect a garage building thereon. The property was cleared of its improvements but condemned by a municipality before construction work was started by taxpayer. Taxpayer then purchased, with the proceeds, the capital stock of a corporation whose sole asset was land and some improvements, on which the taxpayer proceeded to provide a garage, according to his original intentions. The Commissioner contended that the investment was not in property similar in character to that sold, but was reversed as above shown.

LANDLORD CANNOT DEDUCT depreciation on building erected by tenant where no depreciable interest is involved. Taxpayers, members of a partnership, acquired a parcel of land on which a building was erected by the lessee, prior to their acquisition. The property was acquired subject to the prior lease. Taxpayers claimed depreciation based on a proration of their cost as between a cost of land and what they thought was an interest in the building, determined by taking the assessed valuation of land and building as a ratio. Taxpayers offered no evidence that their ownership included an interest in the building nor did they have any amortizable value in the leasehold. Therefore, the Commissioner disallowed the depreciation deduction and was sustained by the tax court. (*Goldstein, et al*, 22 T.C. No. 140.)

All-Woman Office



Floor plan shows the arrangement of office space. Building can easily be converted from a real estate office to a three-bedroom home.

WHO should know more about a house than a woman who operates it?" asks Thelma Elwood of Pontiac, Michigan. And Realtor Elwood answers her own question by employing eight full-time and three part-time salesladies, all of them homemakers themselves.

Feeling that a real estate company's first impression on a prospect is very important, Mrs. Elwood has built a homelike business headquarters in the heart of the predominantly residential lake area. Her office is really a five-room house, easily convertible if no longer needed as an office.

The "office" exterior is complete with evergreen planting. The reception room is actually a large livingroom decorated in turquoise and chartreuse with a good-sized brick fireplace. Prospects enter to find themselves surrounded by chintz draperies and comfortable leather easy chairs. And a love bird in a white cage lends that final "woman's touch" to the relaxed and homey atmosphere.

Presently Mrs. Elwood is renting three rooms as an apartment. Plumbing is roughed in for the private office, just in case it might someday become a kitchen. Mrs. Elwood and her husband, who is a builder, have already had requests for building jobs using this very floor plan.

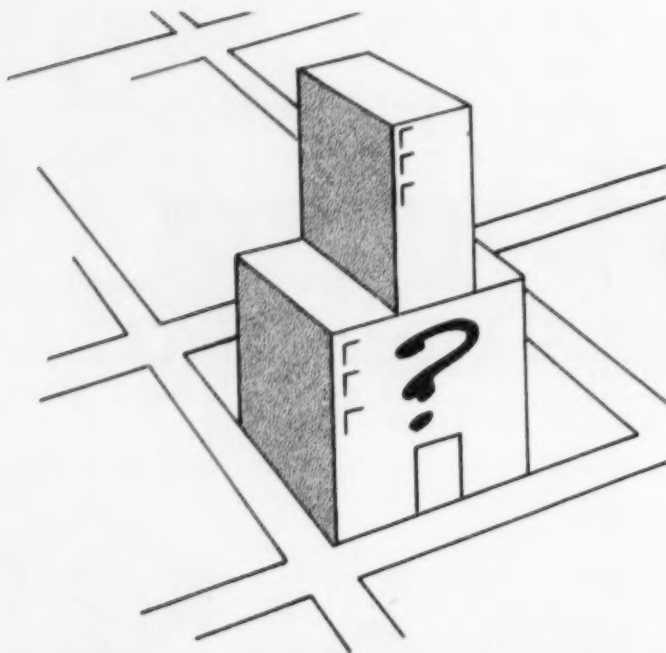
Maybe there's something to that old saying about the warmth and friendliness of a "woman's touch" — even in real estate offices. Here's the office of Thelma M. Elwood, woman Realtor, and her all-woman sales staff. You be the judge.



Elwood firm also builds about 10 houses a year. Mrs. Elwood says they have already had several requests for homes using this floor plan.

Interior has large brick fireplace — a homelike atmosphere. Mrs. Elwood's eight salesladies are all homemakers themselves.





What Property

By LOUIS J. GLICKMAN
Realtor, New York

HOW much information should a Realtor provide about an income property during his first presentation?

In rare cases, the investor will know the property you're talking about, and a simple mention that it's available and the price that's wanted is enough.

But in most cases an investor will not be familiar with the property you're selling, and he deserves to have a wealth of information. You should be able to provide it.

First, the investor will want basic facts about the property:

- 1) Location.
- 2) Size of plot.
- 3) Year erected.
- 4) Typical floor plans.
- 5) A brief description and a skeleton statement of gross income.
- 6) Operating expenses and fixed charges.
- 7) Net income, mortgage interest and amortization rates.
- 8) Price — including cash required and willingness of the seller to accept some form of junior financing.

Now, let's assume that a Realtor has interested a discerning investor in an office building in the investor's own city. Certain physical factors should be described:

- 1) Number and type of elevators.
- 2) Type of air-conditioning.
- 3) Type of heat and heating equipment.
- 4) Details about toilet facilities, electric current, plumbing and roofing.
- 5) Information about the current state of repair.
- 6) Any evidence of deferred maintenance.
- 7) Gross floor area and net rentable area broken down into units.
- 8) Building's total cubical content.

Lease Information

If the improvement stands on a leasehold, the terms of the lease, including current ground rent and lease expiration data, should be fully reported. Details about any optional renewals and the ground rent to be paid if such future rent has been agreed upon and, if not, the method by which it is to be determined, should be reported.

If the property is mortgaged, details about all existing liens should include:

- 1) Expiration date.
- 2) Interest and amortization rates.
- 3) Whether or not an adequate prepayment clause is included.

If expiration dates are imminent, any reliable information about the mortgagee's willingness to renew would be valuable, even though subject to confirmation. If the owner of the property is willing to take a purchase-money junior mortgage in part payment, the amount, interest, and amortization rates acceptable to him should be specified. Details as to the present owner's allowed rate of depreciation are pertinent indeed.

Who Are The Tenants?

Now, what about income and expense? The current monthly rent schedule should give names of tenants, size of space occupied, each tenant's rental, his rate per square foot, his lease expiration date, and the average rental per square foot for the building. If there are stores in the building with percentage leases, overage records for the preceding five years would be valuable to the buyer. To this add a list of vacant areas, with the number of square feet in each and their rental values.

Other questions you may have to answer — are any major tenants considering vacating? Have any tenants vacated, though still paying rent under unexpired leases? What space, if any, is occupied under sub-lease? What is the gross income to the building from the re-sale of electric current?

Operating expense figures must be supported in even greater detail. Most important, perhaps, is the pay-roll item. The schedule should show typical overtime, weekly and hourly rates with details about vacation and holiday arrangements and bonus plans. Other items:

- 1) Charges for compensation, disability insurance.
- 2) State and federal unemployment insurance, hospitalization and group insurance.
- 3) Social security tax.
- 4) If outside contractors are under contract, the rates and expiration dates of contracts.

There is fuel and electric current. Figures for these should show:

Data Do Investors Want?

When you're selling income-property, what kind of information should you be able to give a prospective investor about the property? In this article, a seasoned commercial-industrial Realtor tells you the data you should be able to provide on office buildings, apartment houses, or industrial properties.

- 1) Utility company billings.
- 2) Maintenance or meter rental.
- 3) Utility taxes.
- 4) Average cost of supplies, maintenance and repairs.
- 5) If management agents are employed, rates and duration of contracts.

Charges for reserves against future repairs, maintenance and vacancies may be shown as operating or fixed charges according to bookkeeping preferences. Other fixed charges would include ground rent (if on a leasehold), local real estate, water and sewer taxes, mortgage interest and amortization and insurance. It should be noted that, while amortization payments are reportable as income under the federal tax regulations, they are still recurring disbursements which are actually fixed charges to the investor.

How Much Insurance?

The full insurance schedule should be given. Is sufficient fire insurance being carried? Does coverage embrace all types of insurance required or warranted? Do fire insurance policies include extended coverage? How about any contingency involved in a co-insurance warranty? Are any substantial rate increases pending? With all this data should go a copy of the property's most recent operating statement.

In the case of an industrial property, you should include in your report information about:

- 1) Type of floors.
- 2) Floor loads.
- 3) Ceiling heights.
- 4) Types of windows and sizes of bays.
- 5) Types and capacity of electric current.
- 6) Exits and stairways.
- 7) Loading platforms and other handling facilities.
- 8) Zoning rules governing the area.

If you're selling an apartment house, investors should know:

- 1) The type and condition of plumbing lines.
- 2) Type and age of refrigerators and kitchen ranges.
- 3) Type of bathtubs, toilet equipment and kitchen sinks.
- 4) Number of commercial and professional tenancies.

- 5) Painting schedule.
- 6) Information about the property's status under rent regulations.

Speaking now about all types of properties, prospective investors should have full information about any major alterations or improvements by the present owner, either pending or in progress. More important, any existing obligations to make changes or perform work for tenants should be reported.

Distant Locations

So much for properties located in the investor's own city where he should be reasonably familiar with local trends and neighborhood futures. If the property offered is located in another city, the Realtor must furnish accurate information on factors which have a bearing on both present and future value.

Are there any zoning changes pending or under discussion? Is there any prospect of an increase in local real estate taxes? Is the current assessment for tax purposes high or low? Is it likely to be increased? What is the history of the assessment situation as to protests and resulting reductions?

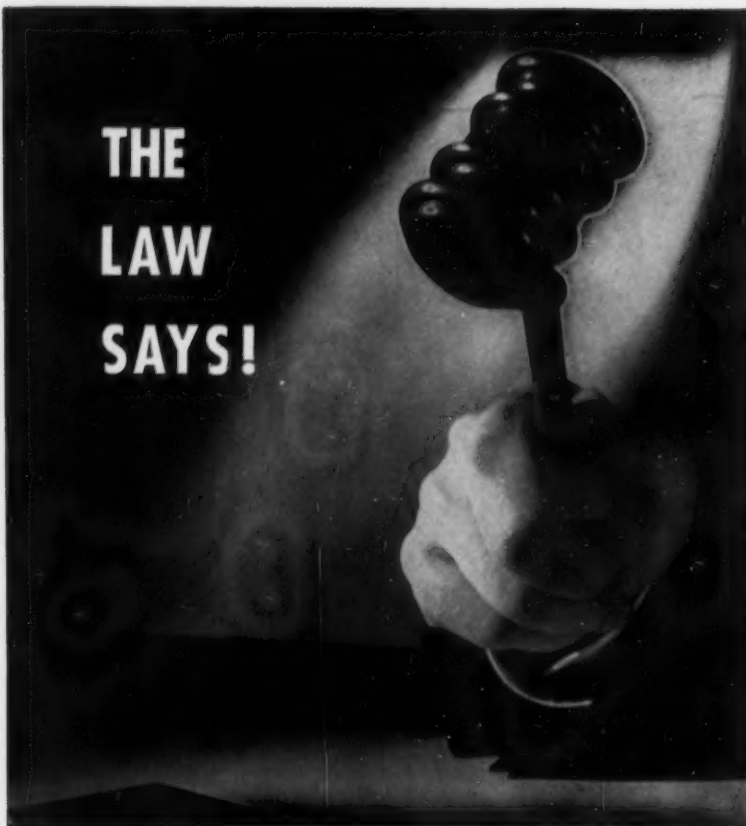
How about the property's competitive position? Are rentals higher, lower or equal to comparable buildings in the area? Are any competitive new buildings proposed or now under construction? If so, how will rental rates compare?

What about the local labor situation? Is union labor in a strong position? Are the building's service employees unionized? If so, are negotiations pending or in prospect for revision of wage scales and fringe benefits in the near future? If not unionized, is any attempt under way for union organization? How do the wages for building service employees compare with other wage rates in the area? Has the property been understaffed? Would proper operation and maintenance demand additional employees?

If the investor's interest in the offering is sustained or increased after he's seen all of this data, the Realtor should prepare to submit certain general information. In the case of an urban store property, a spot check of pedestrian traffic is helpful. In the case of a shopping center, good Realtors have been known

(Please turn to page 45)

THE LAW SAYS!



Should an individual be named as trustee when drafting a trust deed and notes for a client? Should a release deed be recorded before a deal is closed? What is the difference between "forgotten" and "abandoned" property? Here are the legal answers.

IN THE early history of our office when we drafted a trust deed and notes for a client, we always put in the name of one of us as trustees.

One day a client for whom we had drafted a trust deed and notes walked into the office, laid the papers down on the desk and said, "These papers aren't any good." He had tried to sell the papers and when he eventually found a buyer, the buyer rejected the papers because an individual was named as trustee.

After that we never put in our own names as trustee but put in, instead, the Chicago Title & Trust Co. The point was well taken because if the trustee fraudulently releases the trust deed after maturity and the release is recorded, the release is effective as to all who rely upon the record.

I represented the buyer of a building subject to a \$10,000 first mortgage which had been paid but not released because the principal

note was lost. The lawyer for the seller eventually got a release by paying the trustee \$150, and he happily presented it to me. I had to disappoint him by telling him that I would not close the deal without a bond.

A few days later he happily returned and had learned the principle stated and said, "The release is now recorded and you can rely on the records." But it is not relying on the records when you know the facts. It is not being a bona fide purchaser and nevertheless lawyers are doing it that way every day.

If the release deed is recorded before you close the deal it makes it difficult to prove that you did not rely on the record but it does not change the facts.

In the case of *Connor vs. Wahl*, 330 Ill. 136, the court said: "An unbroken line of decisions holds that a release of a trust deed unauthorized by the terms of the trust or by the *cestui que* trust, af-

By GEORGE F. ANDERSON

fects only the right of the original parties or subsequent purchasers with notice. Since in law the trustee has power to release a lien so as to revest the legal title in the grantors, even though he does so without the consent of the *cestui que* trust and in violation of the trust, it follows that the releases in question in this case, which were executed after the notes were due, were good as to plaintiffs in error, who had no notice of any lack of authority on the part of Renshaw to release the first and second trust deeds."

"The public records of conveyances and instruments affecting the title to real estate are established by statute to furnish evidence of such title. A purchaser has a right to rely upon such records unless he has notice or is chargeable with notice of some title, conveyance or claim inconsistent therewith. . . . If reliance cannot be placed on the disclosure of the records relative to such title, then no one can purchase an interest in real estate free from the possibility that somewhere in the chain of title a mortgage or trust deed has been assigned and wrongfully released by the trustee."

LAST night when I got on a North Clark street car to go home, I found a newspaper on the seat in front of me. I appropriated it to my own use and started to read it with interest. A man standing at the exit came over and, looking around, said, "I forgot my paper." I handed the paper to him saying, "Perhaps this is it, I found it on the seat in front of me." He took it, thanked me, and walked away.

Was I obliged by law to give him that paper? If he "forgot," I was. If he "abandoned" it, I was not. If he decided that he did not want the paper any longer and left it in the seat, but when he got to the door changed his mind, it would be abandoned property which belongs to the first finder.

So you see, whether property is "forgotten" or "abandoned" is a matter of intention and intention is difficult to prove. If I had been a Scotchman I might have put up a fight for it but I wouldn't have a broken nose for 5c—no, not even for a dime.

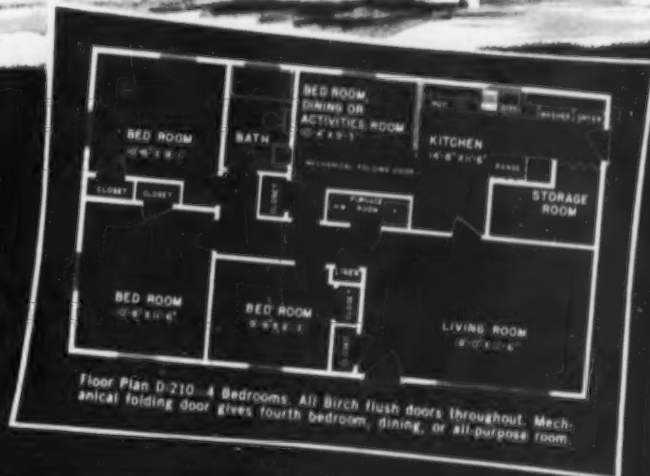
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Bring Them Back

(Continued from page 23)

them to what I think is a good buy for them."

If you told a shoe clerk you wanted a good quality dress shoe and he brought out a pair of casuals first, would you be convinced he knew his stock?

Have you really created a professional atmosphere that will give your client confidence in you when you show him you missed the boat in your original qualification of him? Put yourself in his place. Wouldn't you too say, "Now, I've got to get back because I've just remembered that I have another appointment." Did that ever happen to you?

On the other hand, do you recall a time your prospect has said, "Now I haven't much time today, but we can just take a quick look at something." Then you have taken him directly to the property best fitted for his needs and recall that the rest of the day was none too long for him to look the property over and close the deal with you.

Maybe we'd better not try to fool 'em. Let's try to serve them with the same skill, knowledge and professionalism that his lawyer or doctor would.

These are only a few of the things we have been doing to cause our purchasers to say, "I'd like to look around a little," and then proceed to do so on his own. Let's bring them back to the office.

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Mortgage Needs

(Continued from page 33)

ing of the "big majority of life insurance companies," as well as the American Bankers Association and the Mortgage Bankers Association.

Henry S. Miller, Jr., when asked by the JOURNAL what he thought of the prospects of the Program, replied:

"I feel that it depends on the lending institutions to support the Program, since it was through their efforts that it was set up."

Miller is the chairman of the regional subcommittee in his area, and says the Program has "tremendous significance" there. He bases his opinion on the large number of communities of small population in the area and their wide geographical distribution.

Although it is still too early to know just how the plan will be administered, Miller says that the June, 1957 terminal date for the Program should give ample time for it to be effective.

J. Robert Baldwin of Erie, Pennsylvania, also a regional subcommittee member, seconds Miller's statements. The biggest administrative problem, Baldwin says, will be in finding out who the people are who want or need the mortgage assistance.

Baldwin says the need in his area is not great, but thinks "the overall success of the Program can only be determined by the cooperation given by the mortgage lending institutions."

"In other words," he says, "If the mortgage companies accept the mortgages under the most legal terms of FHA and VA, the program will surely be a howling success." If these companies set up higher standards than FHA and VA demand, then the program will fail, Baldwin believes.

Donald T. Pomeroy of Syracuse, another regional subcommittee member, told the JOURNAL it was too early to judge the Program in his area as it is just getting set up.

However, Pomeroy says, although "there is no opportunity to express an opinion, members of the Regional Committee have shown intense interest."

Property Data

(Continued from page 41)

to submit general economic data covering the trade area, dividing it into distance zones.

Overall Economic Status

For example, how many families live within one mile of the project? What is their average disposable income? How about the area's employment outlook? Are incomes likely to be sustained? As to competition — what retail outlets are in position to battle for the public's dollar, and how effective are their efforts likely to be?

Of course, every scrap of information indicated in this article is not usually readily available to the Realtor. Owners of properties often object to furnishing certain details until they are sure of strict confidence. Often their bookkeeping systems don't give you the type of breakdowns suggested.

Also, no authenticated surveys may be available on the economic future of the area, and it would be asking a little too much for the Realtor to conduct an exhaustive investigation on his own. Still, the nearer the Realtor can come to answering all these questions for the prospective investor, the better are his chances of closing the deal.



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You may now consider yourself informed that the Housing and Home Finance Agency has replaced the Division of Community Facilities and Special Operations and the Division of Slum Clearance and Urban Redevelopment with the Community Facilities Administration and the Urban Renewal Administration. . . If there's anything we admire, it's a constant striving toward greater simplicity and efficiency in the federal government.

The air conditioning industry has provided some estimates of its market potential that should make your head swim. During 1954 the whole industry's sales — in residential, commercial and industrial air conditioning and refrigeration — totaled just under \$2 billion. . . Carrier Corporation estimates the potential market in existing single family homes alone at \$28 billion.

In India the United Nations collaborated with the Indian government to produce a demonstration village. Eighty houses were built, none of which cost more than 5,000 rupees (a little less than \$1,000). There's a pretty serious housing shortage in India, too, but from what we hear about the average income over there even a \$1,000 house isn't going to help much. Even so, it's a long step in the right direction.

Somebody around here made the observation that housing is sinking out of the picture in Greenland, and it is, despite the pun. Army engineers have developed a system of connected tubes, 18 feet in diameter, that take the place of conventional buildings that can't be supported by the ice cap surface. The ice cap is 10,000 feet deep, according to the engineers, and we'll take their word for it.

Earl B. Teckemeyer of Indianapolis, popular *Journal* contributor, has announced the opening of his own office for real estate management and appraisal service. "Teck" is one of the really prolific writers and lecturers on real estate subjects. He published "The HOW of Selling Real Estate" just a few weeks ago.

Just to prove American ingenuity can think up a solution for a problem even before you realize there is a problem, sidewalk and driveway snow-melting installations are now recommended. They figured it out this way: Most home heating plants are designed for temperatures of 10 degrees below or colder. About 87% of all snow falls when it's between 10 and 35 degrees above. So the Plumbing and Heating Industries Bureau tells us the "excess capacity" can be used to pump anti-freeze through pipes under the sidewalks and melt the snow.

Women in Florida real estate are apparently doing well. The *Sarasota News* carried a two-page spread in its real estate section recently, featuring "Sarasota Women In Real Estate." Twenty-two companies carried ads, and 37 salesladies had their pictures in it. There are 18,896 people in Sarasota. The way we figure, that's one woman in real estate for every 513.5 people.

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